

Harlow District Council

Harlow Employment Land Review

Final Report



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APPENDICES

Appendix 1 - Glossary of Terms

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1 INTRODUCTION

The Study

- 1.1 This study was commissioned by Harlow District Council to assess the future demand for and supply of employment floorspace in the District and to assess the suitability of existing and proposed employment floorspace to meet that demand. This then forms the basis of planning guidance to inform the Local Plan and improve systems for monitoring outcomes and reviewing employment policies and programmes.
- 1.2 The aim of the report is to provide a technical document to support allocations in the Local Plan.
- 1.3 It deals with two broad land uses, industry/warehousing and offices¹. It suggests how far existing employment sites should be safeguarded from redevelopment for other uses, whether more land should be identified for employment uses, or whether land should be released from employment use.
- 1.4 The study also makes recommendations about the type of employment land which will be needed for the future as the economy continues to evolve and restructure.

The Method

- 1.5 In reviewing employment land, the approach taken is in line with guidance supported by the National Planning Policy Framework (NPPF), and complies with the Government Guidance Note on Employment Land Reviews². Government policy and guidance indicates that the role of employment land reviews (ELR) is to provide sound evidence to inform local planning authorities in planning for employment land uses. To inform these decisions, ELRs need to:
 - Audit the supply of land already identified for employment;
 - Assess how much land will be required for employment during the plan period, based on market conditions and policy objectives;
 - Compare requirement with supply both quantitatively and qualitatively;
 - Consequently make recommendations about:
 - Any further land that should be identified for employment;
 - Any existing or committed employment sites that should be released for other uses, having regard to their realistic prospects of coming forward for delivery;
 - Other planning policies relating to employment land as appropriate; and
 - Economic development and regeneration policies that bear on employment land.

¹As is usual in planning documents, employment space is defined here as comprising factories, warehouses and offices, covered by Classes B1-B8 of the Use Classes Order, and similar sui generis land uses. The study does not cover the many other land uses that provide employment, such as retail, leisure, education and health.

² ODPM, Employment Land Reviews: Guidance Note, December 2004.

- 1.6 This study is informed by employment projections prepared by Oxford Economics for Insight East. These projections were published in May 2012.

Report Structure

- 1.7 Chapters 2 to 4 describe the current position, providing the baseline and starting point for the future analysis that is to follow:
- Chapter 2 briefly reviews the strategic policies to which Harlow's employment land policies need to conform and the current local policies of the Council.
 - Chapters 3 and 4 analyse the present condition of the local economy and property markets, establishing the baseline for future change and informs the objectives for the study.
 - Chapter 5 then presents an overview of the existing employment areas and the role and function they fulfil. A detailed site assessment is contained in the Appendix.
- 1.8 Chapters 6 and 7 take forward the analysis to the planning period 2011-31:
- Chapter 6 quantifies the baseline projection for office and industrial land.
 - Chapter 7 develops a policy scenario which better reflects the ambitions and growth potential of the district.
- 1.9 Finally, Chapter 8 sets out the overall conclusions and recommendations on future employment land allocations and policies for Harlow.

2 POLICY CONTEXT

Introduction

- 2.1 In this section we set out our understanding of the current policy context for Harlow. This provides the framework in which the ELR will need to operate.
- 2.2 It starts by summarising National Planning Guidance with respect to employment land policy before highlighting key policies from Harlow's own planning and related documents..

National Planning Policy

The National Planning Policy Framework

- 2.3 In March 2011, the Government released its Plan for Growth^[1] setting out its strategy to set the UK on the path to recovery and ultimately to sustainable, long-term economic growth. In this document, the Government states its intention to overhaul the national policy framework in order to embody its pro-growth principles and to simplify the planning system.
- 2.4 The NPPF was published in March 2012 and reiterates that planning must place 'significant weight' on supporting economic growth through the planning system, with a presumption in favour of 'sustainable development'. In planning for economic development it sets out that planning policy should address potential barriers to investment (such as lack of infrastructure which has constrained Harlow in the past) whilst also being flexible enough to accommodate changes in economic circumstances e.g. new/emerging business sectors. This fits with the challenge which Harlow is facing.
- 2.5 Additionally the NPPF sets out that planning policy should avoid the long term protection of employment sites and buildings and consideration of applications for alternative uses should have regard to market signals and the relative need for other uses. However the document did not go as far as some expected, in April 2011 the Government had consulted on a proposed revision to the Use Class Order which would have allowed a move between commercial and residential uses without the need for planning permission. This could have had a major effect on some of Harlow's employment stock leaving it vulnerable to losses to residential. But the NPPF rejected such a blanket reform and as previously any proposals to lose space must be evidenced.
- 2.6 The 'duty to co-operate' will be of critical importance to successful delivery of the Harlow ELR where evidence needs to be in place to demonstrate that local authorities have worked collaboratively with each other (and in consultation with Local Enterprise Partnerships), on strategic planning priorities to deliver sustainable economic growth. In relation to assessing business needs, the NPPF states that local authorities should:
 - Work together with county, neighbouring authorities and with local enterprise partnerships to prepare and maintain a robust evidence base to understand both existing business needs and likely changes in the market

^[1] HM Treasury and BIS, The Plan for Growth, March 2011

- Work closely with the business community to understand their changing needs and address barriers to investment, including a lack of housing, infrastructure or viability.

2.7 Again this collaborative approach chimes with the circumstances of Harlow, which as we set out in the next chapter needs to be seen in the context of its sub-regional economy.

Harlow Local Plan

- 2.8 The Replacement Harlow Local Plan was adopted in July 2006. The policies were saved under direction of Paragraph 1(3) of Schedule 8 to the Planning and Compulsory Purchase Act 2004 and form the current policies for planning decisions.
- 2.9 There are 13 policies set out in the Economic and Regeneration Chapter covering:
- Priority Area for Economic Regeneration (ER1)
 - New Employment Land (ER2, ER3)
 - Existing Employment Area (ER5)
 - Retaining Existing Employment Areas (ER6, ER7)
 - The Knowledge Driven Sector (ER9)
 - Economic Diversity (ER10)
 - Mixed Use (ER11)
 - Storage and Distribution (ER12)
 - Education, Training and Childcare (ER13)
- 2.10 These policies recognise both Harlow's strategic economic advantages but also its structural weaknesses. The policies recognise the need for Harlow to restructure and diversify its economy to take advantages of new opportunities
- 2.11 The Plan identifies the gap between the jobs in the town and the skills of the residents, *"The majority of new jobs have been in the highly skilled research and development sectors. Many residents are unable to access these jobs due to the skills gap that exists."*³
- 2.12 Existing employment areas are to be maintained but change of use or redevelopment are permitted under certain circumstances. The local plan was trying to meet employment allocations set by the Structure Plan. These were calculated on a County-wide basis as well as making allowance for regeneration needs. At the time whilst housing land was found in Harlow there seen to be problems in finding employment land.
- 2.13 Additional employment land of 15.7ha was allocated for B1, B2 and B8 use. This was on two sites: Land north of Nortel Networks (13.7ha) and Newhall (2.0 ha).
- 2.14 Given Harlow's then status as a Priority Area for Regeneration there was an identified need to 'ensure that the town's economic base was not undermined', and hence a presumption in favour of safeguarding employment land from development for other uses.

³ Harlow Local Plan 7.2.1

- 2.15 Two policies were not saved (ER4 and ER8). These were more general policies on potential future allocations and intensification of existing sites.
- 2.16 There are a further set of relevant policies set out in the chapter on Regenerating the Town Centre and Shopping. These reinforce the spatial separation of activity in Harlow.

Harlow 2020 Vision

- 2.17 The Sustainable Community Strategy for Harlow published in 2011 updated the Harlow 2020 Vision. The vision sets out 11 goals for where Harlow will be at 2020. These spell out the type of quality of life the Harlow seeks to deliver for its residents. It does not quantify any specific economic goals but among the points are that by 2020 Harlow will be:
- Growing as a town and benefitting from improvements to its buildings and infrastructure
 - A university town meaning more local people have the opportunity to go on to higher education and better jobs
 - A place where businesses wish to locate and people want to come to shop and visit.
- 2.18 Among the priorities listed to meet these goals are:
- The physical regeneration of the town centre, renewed neighbourhoods and neighbourhood centres
 - Economic growth and investment in the town
 - Raising aspirations and improving attainment through lifelong learning

Regeneration and Social Inclusion Strategy 2010-15

- 2.19 The Regeneration and Social Inclusion Strategy updates there previous 2007 Regeneration Strategy to take into consideration the changed economic circumstances. The strategy outlines Harlow's current economic structure and challenges.
- 2.20 *"Traditionally a centre for manufacturing, the town's economy has diversified with research and development emerging as a major focus with pharmaceuticals and Information Communications Technology strongly represented. Harlow will be seeking to build on this base, including the strong tradition of advanced manufacturing. In addition it will be looking to support innovation and economic development arising from the town's cultural assets and its excellent location. The challenge is to grasp the opportunity that growth offers to regenerate the town whilst retaining the best of its original design, neighbourhoods, green spaces and community spirit."*⁴
- 2.21 The seven priority outcomes set out in the Regeneration and Social Inclusion Strategy are:
- **A prosperous community with sound infrastructure** – Harlow at the heart of a dynamic sub-regional economy with excellent connections to regional, national and global economic opportunities
 - **A place that values learning and skills** – Local people equipped for quality jobs and valuing lifelong learning

⁴ Harlow Regeneration and Social Inclusion Strategy 2010-2015 (para 4)

- **A vibrant town centre** – Harlow established as a destination of choice sub-regional shopping destination with a wide ranging leisure offer and thriving night-time economy
- **A diversity of high quality housing** – Places where people will choose and can afford to live
- **A healthy town** – Local people living healthier longer lives
- **A cultural hub** – accessible and exciting arts and sporting opportunities reinforcing Harlow's wider sub-regional role, building on its reputation as the Sculpture Town
- **Renewed neighbourhoods and neighbourhood centres** – successful and sustainable communities where people will be proud to live

2.22 The Strategy sets out a number of key actions in support of these priorities. These include identifying sub-regional sector strengths and developing Harlow's employment land offer to meet the needs of both these new sectors and Harlow's existing businesses.

The Sub-Regional Economy

- 2.23 The previous system of Regional Spatial Strategies has been abolished and no longer has any planning status. Whilst this no longer exists as a formal designation it provides a useful framework for considering Harlow in its wider sub-regional context. Under the old RSS Harlow formed part of the Stansted/M11 Corridor sub-region. This sub-area covered the Essex districts of Epping Forest, Harlow and Uttlesford and the Hertfordshire districts of Broxbourne and East Hertfordshire. It forms the southern end (outside London) of the London–Stansted–Cambridge–Peterborough Corridor and its unifying factors are the M11 and the Liverpool Street – Cambridge railway line, its location within the London Commuter Belt housing market area and the constraints presented by the Green Belt on future development. The Councils of West Essex including Harlow are working with the London Stansted Cambridge Consortium (formerly London Anglia Growth Partnership) in recognition of the importance of the potential of the M11 corridor sub regional economy.
- 2.24 The main poles of economic activity for that sub-area were Harlow and Stansted. Whilst there may no longer be a formally designated sub-region in policy terms, the Duty to Co-operate placed on local authorities requires this study to consider what is happening outside of the district council's boundaries.
- 2.25 Under the old RSS Harlow was also designated as a Key Centre for Development and Change but the policy noted that in order to achieve this role will require 'a significant transformation and growth of its retail, commercial, cultural and education offer to become the substantive sub-regional centre required'⁵. The East of England plan set a number of objectives in Policy HA1:
- enhance Harlow's retail offer and strengthen its position within the regional hierarchy of town centres;

⁵ East of England, East of England Implementation Plan: Draft Plan for Consultation, April 2009

- enhance the role of Harlow as a key centre for further and higher education and research based institutions;
- provide for growth of Harlow's established sectors and clusters;
- attract employment related to the growth of Stansted Airport, which does not need to be located there; and
- assist the growth of small and medium sized enterprises and attract new economic development and innovation'.

2.26 Whilst this policy framework is no longer in place the challenges identified remain.

2.27 Moving forward, Harlow is identified as strategic growth location by the South East Local Enterprise Partnership.

West Essex Alliance

2.28 The West Essex Alliance is a sub-regional partnership covering the districts of Epping Forest, Harlow and Uttlesford. Its aim is to improve the economic prosperity and opportunity and provides a voice for business to the South East Local Enterprise Partnership. The West Essex Alliance brings together the private and public sectors including BAA, BUPA Home Health Care, Harlow & Epping Chambers of Commerce, the Federation of Small Business, Apollo Group, GlaxoSmithKline, Anglia Ruskin University, Epping and Harlow Colleges, JobcentrePlus and the local authorities. By bringing together the private and public sectors it aims to support:

- The growth of existing businesses
- Increased inward investment and promotion of tourism
- The retention of existing businesses
- Enterprise to create new businesses
- Sustainability / sustainable growth and regeneration

Enterprise Zone

2.29 In considering the policy context we also note that Enterprise Zone status was awarded to two sites in Harlow in 2011. Enterprise Zones are specific areas where a combination of financial incentives reduced planning restrictions and other support is used to encourage the creation of new businesses and jobs – and contribute to the growth of the local and national economies. The current Enterprise Zone benefits are:

- a Business Rate discount per company of approximately £275,000 over a five year period
- the retention, for at least 25 years, of the Business Rate growth from the Zone in order to support the relevant local enterprise partnership's economic priorities
- radically simplified planning, for example, through the use of Local Development Orders
- Government support to ensure that superfast broadband is rolled out throughout each Zone

2.30 The two sites are a 23ha mixed use site at London Road, including the former Nortel campus and land to its north and the 28ha industrial area covering the north eastern corner

of Templefields. The vision is to create a high tech cluster focused on Health and Allied Industries, Advanced Manufacturing and Information Communication Technology sectors.

- 2.31 The two sites are very different and each is anticipated to play a different role. Templefields North East is an existing occupied industrial area. There are buildings on the site (principally warehousing with ancillary offices) and it is assumed that some of these will be retained and some will be replaced. This is expected to suit manufacturing and light / heavy industrial activity. The London Road site includes both the existing site that was the former Nortel Campus but also a greenfield site to the north of it. This is targeted at Research & Development and Light Industrial use.
- 2.32 Harlow Council projects that a total of 4,900 jobs could be created from both sites, based on the amount of available land for development and the number of companies it hopes to attract.
- 2.33 The London Road EZ site was formerly identified as the principal new employment site in the Local Plan. But it required new road access funding for which was to be triggered by delivery of a certain threshold of dwellings. Construction of dwellings has halted below that threshold and hence part of the EZ objective was to secure forward funding for the access road, which has subsequently been secured through the Growing Places Fund.

Conclusions

- 2.34 The policy background for Harlow identifies a town with much economic potential but one facing serious challenges if it is to realise its potential. These challenges include the need to develop its economic base by attracting new investment, developing its local SME sector and generating clusters around growth sectors such as advanced manufacturing, pharmaceuticals, medical technologies, ICT and electronics.
- 2.35 Infrastructure investment is seen as vital for the town as a whole including the provision of a new junction 7a on the M11. More specifically it is improved road access is the key to unlocking major sites, such as the London Road and Templefields EZs, to attract in new investment.
- 2.36 Harlow needs to continue to regenerate the town centre and to promote its image in order to attract investment. This includes investment in factors such as housing and quality of life to make the area more attractive to people to want to invest live and stay.
- 2.37 But perhaps most fundamentally there is recognition of the need to develop the skills base of the local workforce. There is an identified need to raise aspirations of the local workforce and to train a skilled and flexible workforce to meet employers' needs. The opening of the University Centre Harlow, as part of Anglia Ruskin University, will help with this task but there is still some way to go. The new Harlow University Technical College will be a further addition to the local educational infrastructure.

3 HARLOW'S ECONOMIC CONTEXT

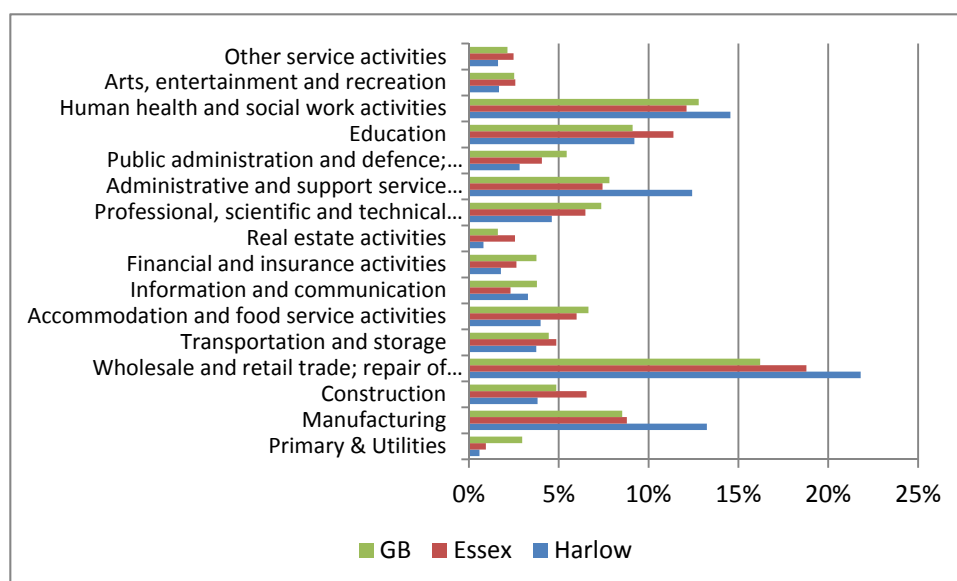
Introduction

- 3.1 This section provides an overview of the Harlow economy identifying its strengths and weaknesses and analysing recent trends in performance compared with wider benchmark areas. We assess the impact of the recession on Harlow but also examine the pre-recession period in order to provide an insight into how Harlow might perform in the longer term under more standard growth trends.
- 3.2 We analyse Harlow both in terms of its workplace economy and its resident economy and a different picture emerges of Harlow depending on whether it is viewed from the perspective of the workplace or resident economy.

The Workplace Economy

- 3.3 Figure 3.1 below shows that broad structure of the Harlow economy. Compared with the national average Harlow has a much higher proportion of employment in:
- Manufacturing
 - Wholesale and Retail Distribution
 - Administrative and Support Services
 - Health and Social Work
- 3.4 Conversely it is under-represented in:
- Public administration
 - Professional, Scientific and Technical Services
 - Financial Services
- 3.5 These under-represented activities are all major office occupiers.

Figure 3.1 Employment Structure 2010



Source: BRES

- 3.6 Harlow has a low share of office employment compared to similar towns. Of twenty centres looked at in Outer London and The Outer Metropolitan Area for the London Office Policy Review 2009⁶, office employment as a proportion of total employment was the fourth lowest in Harlow.
- 3.7 There are a number of nationally growing or stable sectors well represented in Harlow: lower value business services, R&D, health and wholesale and distribution. The district has a relatively high proportion of employment in the health sector. This probably relates to the presence of Princess Alexandra's Hospital and reflects the type of sub-regional role that Harlow can play being the major centre serving its wider hinterland. The district is also strong in retail which has been stable regionally.
- 3.8 The table below sets out the largest employment sectors in Harlow by the most detailed employment sectors.
- 3.9 The table also shows the location quotient indicating how specialised the activity is. Both employment figures and location quotient (LQ) are set out in bands to avoid disclosure of potentially confidential data. An LQ in the range 0.9-1.1 would imply the sector has broadly average representation, whilst anything above 1.5 would imply a high level of comparative specialisation.
- 3.10 In addition to schools and hospitals and retail, which are always large local employers, there are a number of specialist manufacturing sectors that have a presence such as office machinery, electronic instruments and electrical lighting. Support service facilities are also well represented with combined facilities support and cleaning series featuring in the list.
- 3.11 R&D, pharmaceuticals wholesaling and book publishing complete a fairly diverse list of major employers. One sector that is absent is any major office based business service activities.

⁶ London Office Policy Review 2009 – Ramidus Consulting and Roger Tym & Partners for GLA

Table 3.1 Largest Employment Sectors in Harlow

	2011 Employment Harlow	LQ ⁷
Hospital activities	> 2,000	1.5 - 2.0
Retail sale in non-specialised stores with food, beverages or tobacco predominating	> 2,000	1.5 - 2.0
Primary education	1,000-2,000	0.9 - 1.1
Social work activities without accommodation for the elderly and disabled	1,000-2,000	> 2.0
Manufacture of office machinery and equipment (except computers and peripheral equipment)	1,000-2,000	> 2.0
General secondary education	500-1,000	1.1 - 1.5
Other social work activities without accommodation nec	500-1,000	1.1 - 1.5
Other publishing activities	500-1,000	> 2.0
Retail sale of clothing in specialised stores	500-1,000	1.1 - 1.5
Temporary employment agency activities	500-1,000	< 0.9
General cleaning of buildings	500-1,000	1.1 - 1.5
Cleaning services (other than disinfecting and extermination services) nec	500-1,000	> 2.0
Technical and vocational secondary education	500-1,000	> 2.0
General public administration activities	500-1,000	< 0.9
Manufacture of electronic instruments and appliances for measuring, testing, and navigation, except industrial process control equipment	500-1,000	> 2.0

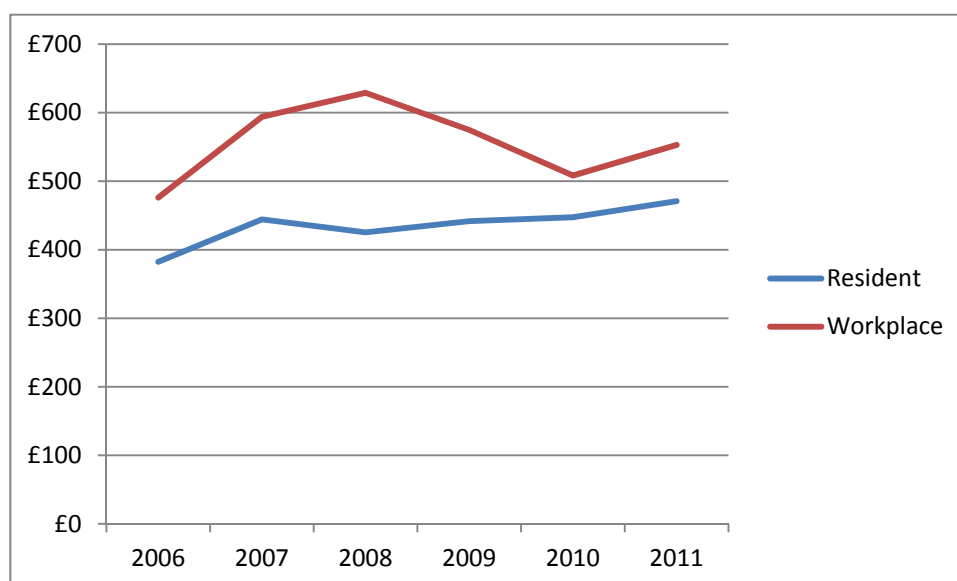
Source BRES/RTP

- 3.12 Harlow district also retains a higher than average manufacturing sector with a high Location Quotient (LQ) in a number of declining industrial sectors such as Metals & Engineering and Other Low Tech industries.
- 3.13 The low proportion of employees in Hotels & Catering gives rise to concerns about the quality of Harlow as a business location, indicating a lack of the type of facilities that can play a role in business location decisions. The newly opened Holiday Inn Hotel in Harlow town centre may go some way to help improve the business infrastructure offer.
- 3.14 Priority sectors for the district are the existing high tech ones in which the town is strong, and it hopes to build on the presence of these, and on the proximity to London, Cambridge and Stansted to attract more. In addition, the town is seen as 'punching below its weight' for what was designated as a Key Centre for Development and Change, so other priority areas for expansion were identified:
- Education, where provision has been enhanced since the opening of the University Centre Harlow (also supporting the skills agenda)
 - Redevelopment of the northern part of the town centre to improve the retail and visitor offer, thereby increasing the number of jobs in Retailing, Hotels & Catering and Business Services.

⁷ LQ stands for Location Quotient. This is a measure of relative representation. An LQ of greater than 1 means the sector is relatively over-represented locally compared to the national average. An LQ of less than 1 means it is relatively under-represented.

- 3.15 In addition to priority sectors for growth there is also a concern that there should be a range of employment opportunities available to meet the needs of all Harlow's residents.
- 3.16 The structural profile results in the presence of some very high value sectors in the district: R&D, manufacturing of metals, chemicals and other low tech goods, communications. The EEFM model estimates that GVA per worker in Harlow was £43,400 in 2007, well above the average for both the East region at £41,300 and for England as whole at £43,200. But it has since fallen to £36,400 in 2011, signifying the loss of higher productivity activities.
- 3.17 Workplace earnings are higher than resident earnings and at the peak of the cycle the gap was nearly £200 per week. This was driven by the very high presence of R&D jobs as well as in communications, manufacturing and distribution. Harlow is also under-represented in some large low paying sectors such as hotels and catering and other personal services. Since 2008 the gap has closed, but this is due more to the loss of some higher paid jobs in Harlow than the increase in resident earnings and there remains a differential of 17%.
- 3.18 The announcement by the Prime Minister, David Cameron that a new national state-of-the-art Phenome Centre is to be opened in Harlow, provides some welcome news for the District. The new centre will be the first of its kind in the world where researchers will be able to explore the characteristics of disease in order to develop new drugs and treatments for patients. It will be funded by £5million investments over five years by both the Medical Research Council and the Department of Health's National Institute for Health Research and will be run by Kings College.
- 3.19 The centre will be on the site of the current London Olympics' anti-doping laboratory. It will also help build on the medical research and development industries at the core of Harlow's Enterprise Zone and the Anglia Ruskin MedTech Campus, being developed by Chelmsford City Council, Harlow District Council, Southend-on-Sea Borough Council and Anglia Ruskin University.

Figure 3.2 Resident and Workplace Earnings Harlow:
Median weekly earnings full time workers



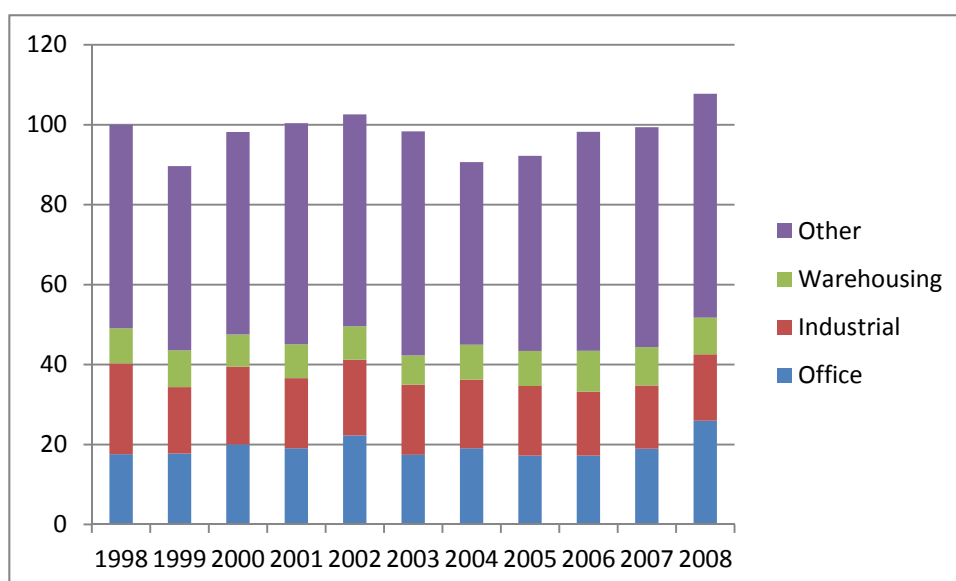
Source: ASHE

- 3.20 The relatively high workplace earnings suggests both a strength and weakness of the Harlow economy: there are high value jobs in the district. But even such jobs have proved vulnerable to global factors such as recession and corporate restructuring. But even when the Harlow economy was performing successfully in productivity and output terms, other, wider, issues mean that this potential does not benefit the whole community. These wider issues combine a lack of skills amongst residents to take up the more highly qualified jobs and the failure of Harlow in retaining its high paying workers and attracting others to live in the district. The regeneration agenda for Harlow aims to address this and make Harlow a more attractive place to visit and live in.

Employment Land

- 3.21 As the focus of this study is non B-class employment land we analyse in more detail the activities that make up these use classes, namely offices, industrial activity and warehousing and distribution.
- 3.22 In terms of these sectors Harlow is not a strong office centre. Employment change by broad use type is illustrated in the Figure below. On the one hand an optimistic interpretation could be placed on these figures in that over the period 1998-2008 employment in Harlow increased by 8%. But this was a period of rapid growth nationally and employment for Essex as a whole grew by 17% over this period – double the rate of Harlow.
- 3.23 As can be seen from the graph the pattern of growth was very volatile. In part this can be explained by data reliability for a small area. At best the period represented one of below average growth during an expansionary period and Harlow failing to capitalise on opportunities.
- 3.24 Industrial employment has maintained a reasonable share of employment in Harlow with non B-class employment accounting for just over half of the total.

Figure 3.3 Employment Change Harlow by Use Type 1998-2008



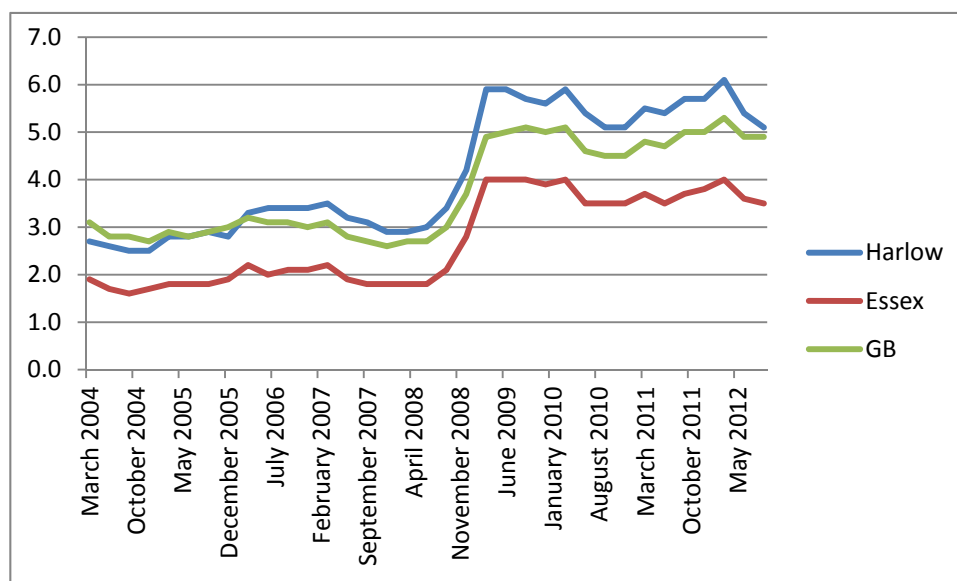
Source: ABI/RTP

- 3.25 Since the recession the Harlow economy has been hit hard and suffered particular losses due to the global restructuring of GSK which has led to large scale job reductions in Harlow. In the period 2008-2010 employment in Harlow fell by 4,300 a fall of -9.8% compared with -2.8% nationally and -2.6% in Essex as a whole. Worse still Harlow was particularly badly hit in the higher value sectors. Employment in Professional and Technical Services fell by 3,900 and Information and Communication by 700. This would explain the reduction in productivity and workplace earnings. It is also a factor that would particularly impact on office sector employment.
- 3.26 By 2010 we estimate that employment in office sectors accounted for 15.5% of jobs; employment in industrial sectors accounted for 17.5% of jobs; employment in warehousing sectors accounted for 10.2% of jobs; and employment in non B-class sectors accounted for 56.8% of jobs.
- 3.27 On a positive note there are indications that the number of business start-ups is rising. Previously Harlow had low levels of entrepreneurship as measured by the number of business per thousands of working age population. Yet recent research from Experian has shown that Harlow had the fastest business growth rate in the country between July 2010 and February 2012 with the number of businesses in the town increased from 3,782 to 4,260 between 2010 and 2012. It also saw a 23.5% increase in the number of business start-ups.
- 3.28 Whilst this looks like a positive indicator, high levels of start-ups in recessionary times often result from a push factor of lack of employment opportunities elsewhere.

The Resident Economy

- 3.29 Even in the pre-recession growth phase Harlow district experienced a combination of population and jobs decline and high unemployment rates. But the recession has only exacerbated these problems.
- 3.30 Harlow's unemployment rate has been around the national average but the district has been particularly hard hit by the recession and unemployment rose even more sharply than the national average and was still on an upward trend at twice the rate it was pre-recession in mid 2012, though the latest (September 2012) figures have shown a drop in unemployment
- 3.31 On the claimant count measure there are currently 2,200 unemployed in Harlow, although actual unemployment will be much higher. Model based estimates of unemployment place Harlow's unemployment level at June 2012 at 4,000 or 9.3%, compared with 2,300 or 5.4% on the claimant count measure.

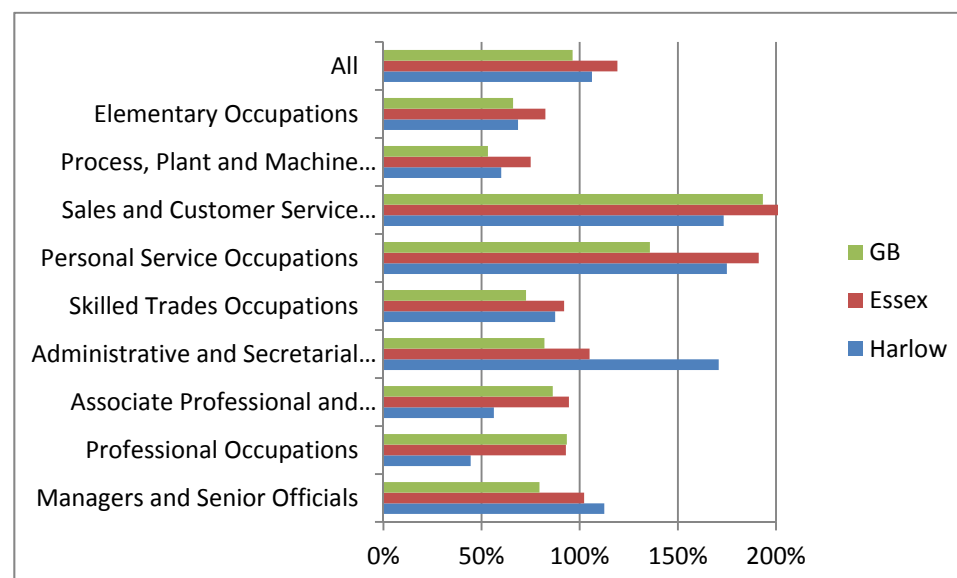
Figure 3.4 Claimant Count Unemployment Rates (as percentage of economically active)



Source: nomis

- 3.32 Unemployment has been felt across all occupations but has been particularly hard across the middle ranking service sector occupations. In Harlow unemployment by sought occupation has risen by more than 150% in sales and customer services, personal services and administrative and secretarial occupations. This latter category has suffered particularly hard in Harlow compared to the national picture.

Figure 3.5 Change in Unemployment by Sought Occupation (Mar-08 - Mar-12)



Source: nomis

- 3.33 The proportion of highly skilled residents is in line with the regional average (26%) but there is a long tail of residents with low or no qualifications (41% compared to 37% for the region). Resident earnings are significantly below England's average and have risen more

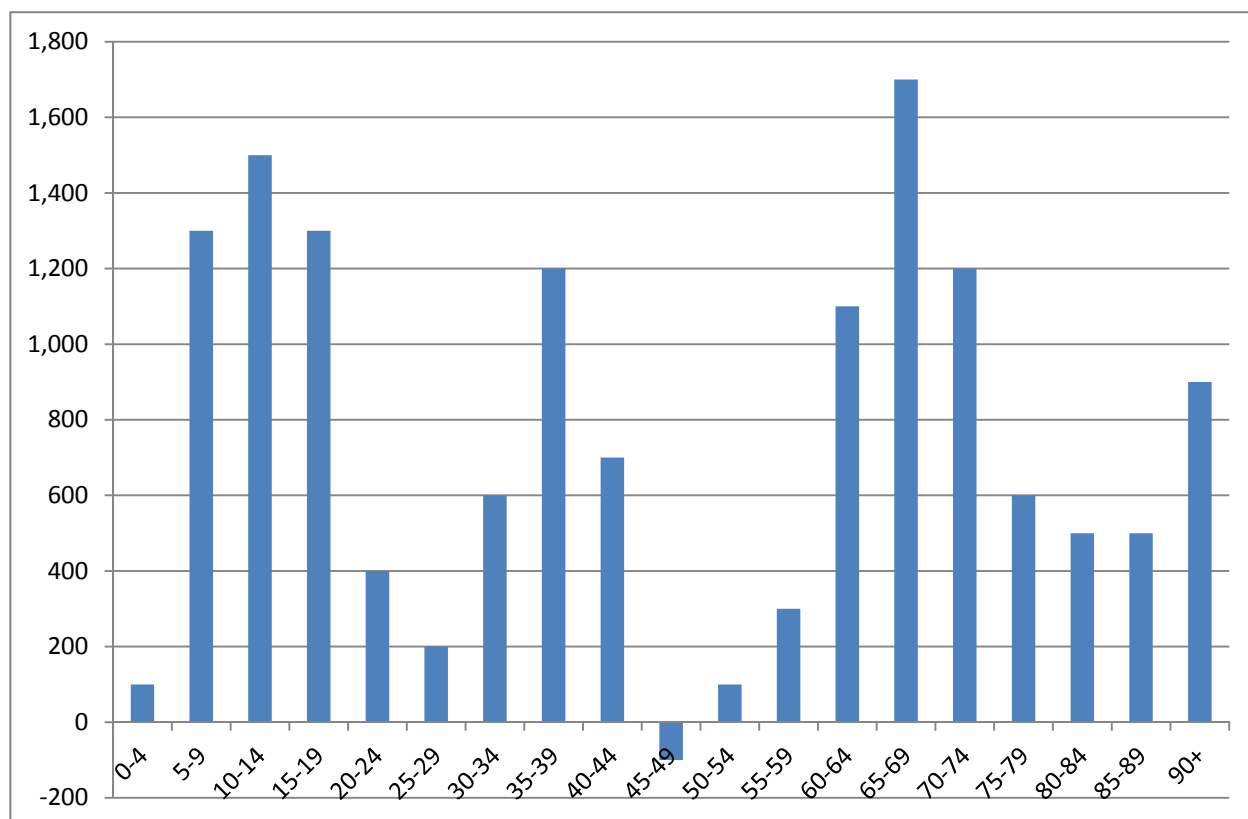
slowly than in the region as a whole. This is a combination of lower levels of out-commuting to London for highly paid job and a higher proportion of working residents in the bottom three occupations (sales, machine operatives, elementary occupations) which are less well paid.

- 3.34 The skills gap locally is acknowledged and understood and work is underway to address this issues. Nevertheless this is not an easy task and remains the key challenge for Harlow and its future economic success.
- 3.35 Anglia Ruskin University opened a new flagship campus building in Harlow as of September 2011, and it is anticipated that the new University Centre Harlow will be well placed to meet the needs of new sectors looking to locate in Harlow. This should prove of long term benefit in building the human capital and adding to the asset base of Harlow, though short-run demand deficiencies may mask its achievements.

Population Profile

- 3.36 Harlow's population profile is younger than the national average and its neighbouring districts representing an opportunity for the future. As the population ages nationally there are likely to be labour supply constraints emerging at some point in the future. The graph below illustrates the projected change in population by age cohort. Harlow shows growth across most age cohorts and it has a younger age profile than the national picture. Whilst it fairly closely mirrors the national growth pattern by age cohort, there is higher growth than the England average projected for the under-19 age group and lower growth for the 75-90 year old age group.

Figure 3.6 Projected Population Change by age cohort 2011-31



Source: ONS

- 3.37 The table below compares projected population growth by age band for Harlow and its neighbours. Harlow has a fairly evenly distributed growth profile between children, working age population and those of retirement age. Most other districts have very large growth projected for the over-65 age group.

Table 3.2 Projected Population Change by Age Band 2011-31

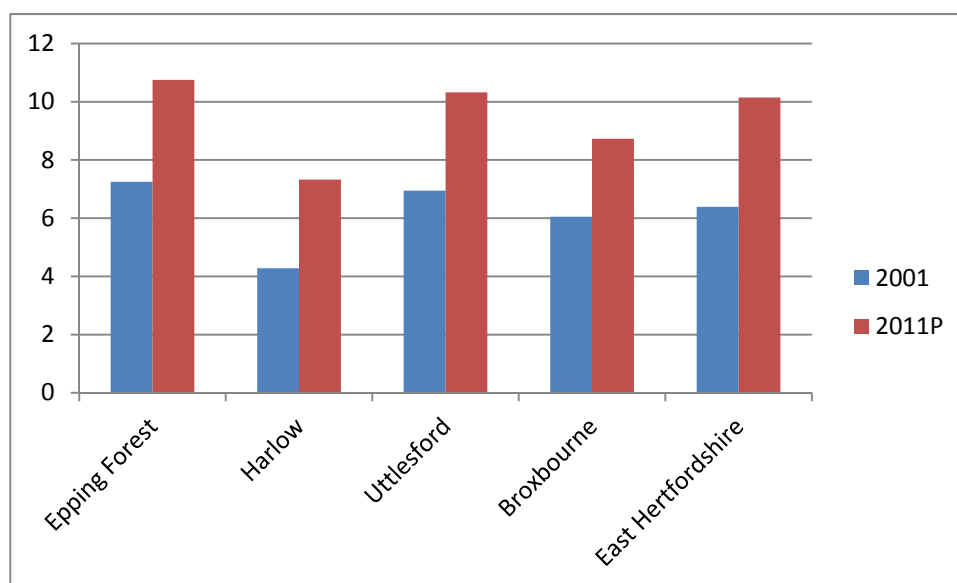
	0-19	19-64	65+
Broxbourne	4,900	5,600	7,000
East Herts	3,700	8,200	15,100
Epping Forest	5,600	9,500	11,700
Harlow	4,200	4,500	5,400
Uttlesford	4,900	5,800	10,000

Source: ONS

- 3.38 The population profile is also reflection of the different housing offer with cheaper accommodation and more flats which are more affordable to younger workers. The downside is that, when they are financially able to, these young residents tend to migrate out of the district. This can either be viewed as a policy issue to address through providing housing to retain these mobile workers. Or alternatively it can be viewed as the role which Harlow plays in the sub-regional economy, where workers move to new houses, which just happen to be over an administrative boundary, whilst continuing to work in Harlow and, if the offer is right, to spend on retail and leisure in Harlow.

- 3.39 Recent years have seen increasing pressures on housing affordability. Many young people are now delaying buying housing and renting for longer. For a town such as Harlow that is able to offer lower priced dwellings than many other places in the sub-region this may become an opportunity to regenerate the town through attracting and retaining a more affluent and higher skilled resident base.
- 3.40 Despite increase in house prices over the last decade Harlow remains relatively affordable compared to neighbouring districts.

Figure 3.7 Ratio of Lower Quartile House Prices to Lower Quartile Earnings



Source: CLG

Travel to Work

- 3.41 Harlow has a relatively high rate of resident self-containment with 62% of its employed residents working in the district and only 14% commuting in to London. In overall terms the labour market is fairly well balanced with Harlow having a net in-flow of just over 500 workers at 2001. There will have been changes in travel patterns since that date but unfortunately the 2001 Census is the most recent data currently available that provides detailed travel to work information.
- 3.42 The Census data also shows that the profile of commuters to and from Harlow are different: the district is a net importer of managers and professionals from its immediate neighbours (East Hertfordshire, Epping Forest, Uttlesford) but a net exporter of workers in the lower occupations. This highlights the failure of Harlow in retaining these better paid, more highly skilled professions within the district, as residents. As a result the local economy misses out on their disposable income.

Figure 3.8 Travel to Work Flows

		%			%	Net Export
Employed Residents	38,753		Workplace Workers	39,273		-520
Harlow	23,875	61.6%	Harlow	23,875	60.8%	0
London	5,511	14.2%	London	2,136	5.4%	3,375
East Hertfordshire	2,644	6.8%	East Hertfordshire	4,062	10.3%	-1,418
Epping Forest	2,118	5.5%	Epping Forest	2,243	5.7%	-125
Broxbourne	1,096	2.8%	Broxbourne	863	2.2%	233
Uttlesford	1,004	2.6%	Uttlesford	1,434	3.7%	-430

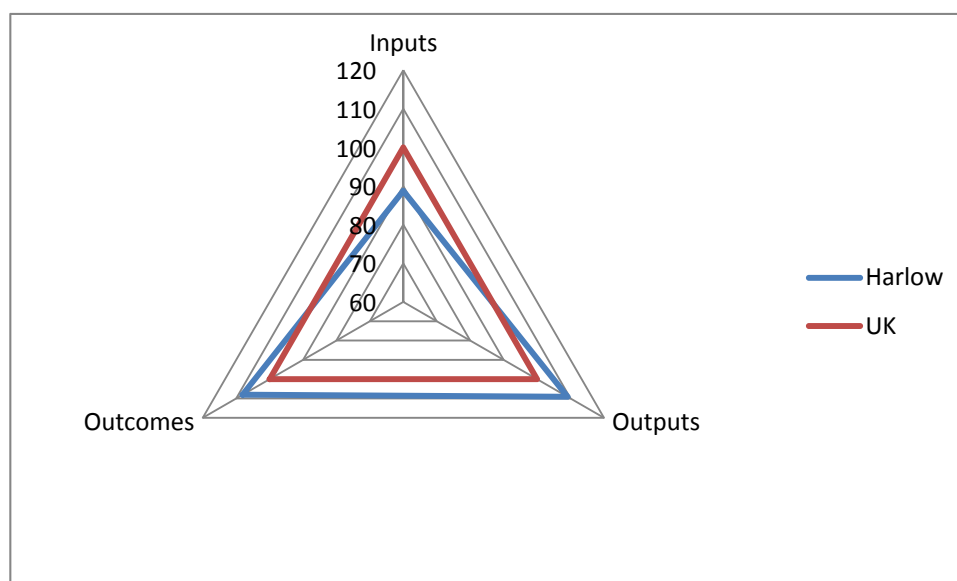
Source: Census 2001

Competitiveness Index

- 3.43 The features of both the resident and workplace economy can be combined into indicators of the competitiveness of the Harlow economy. Research by HM Treasury has identified five drivers of productivity – investment, innovation, skills, enterprise and competitiveness. These are the factors that will determine its overall competitiveness.
- 3.44 The UK Competitiveness Index⁸ produces an annual ranking of the competitiveness of UK local authority districts using such indicators as the proportion of knowledge based industries, productivity, median pay and business registrations. It shows that in 2010, Harlow ranked 116th out of a total of 379 local authorities compared to 119th in 2009 (in other words at around the 30th percentile in terms ranking of UK local authorities).
- 3.45 Harlow ranks well below the UK average in terms of output and outcome indicators but well below the UK average in terms of input indicators, such as levels of entrepreneurialism and skills. This confirms the earlier analysis of Harlow being very different when viewed as a resident or workplace economy.

⁸ <http://www.cforic.org/>

Figure 3.9 Competitiveness Index



Source: UKCI

- 3.46 A comparison of the competitiveness index with that of its surrounding authorities illustrates how the wider sub-regional economy functions. Neighbouring districts such as Uttlesford and East Hertfordshire score much higher than Harlow in terms of input indicators but less well in terms of outcomes. This could be interpreted as Harlow performing exceptionally well with the resources available to it, but in reality it is another way of illustrating how the area works as a sub-region.

Figure 3.10 Composition of District Competitiveness Indicators

	Inputs	Outputs	Outcomes	UKCI
Harlow	88.8	109.1	108.1	101.7
Epping Forest	104.0	95.1	104.9	101.2
Uttlesford	134.7	110.0	101.8	115.0
Broxbourne	94.7	103.7	98.2	98.8
East Hertfordshire	121.2	110.2	102.0	111.0

Source: UKCI

Infrastructure

- 3.47 Despite its excellent strategic location Harlow still faces infrastructure constraints that are hampering its growth prospects. Capacity constraints, which the infrastructure network (water, electricity, transport) is already experiencing, may act as a future constraint on economic growth and on delivering sustainable development. Any growth scenarios will have to address existing deficits as well as providing key infrastructure as a foundation for long-term growth.
- 3.48 There is a need to improve the connectivity of Harlow's employment areas if more ambitious job growth targets for the town are to be fully realised. Poor accessibility is a

major inhibiting factor for the main existing employment sites. Major transport projects identified as critical to future growth include:

- A new motorway junction (7A) on the M11 to give more direct access to Stansted than that provided by the existing, overloaded, Junction 7
- A link road from the new J7A to the A414 north of the existing urban area to provide a direct link to the M11 Harlow's employment areas
- Platform lengthening at the stations to enable the introduction of 12-car trains.

Summary

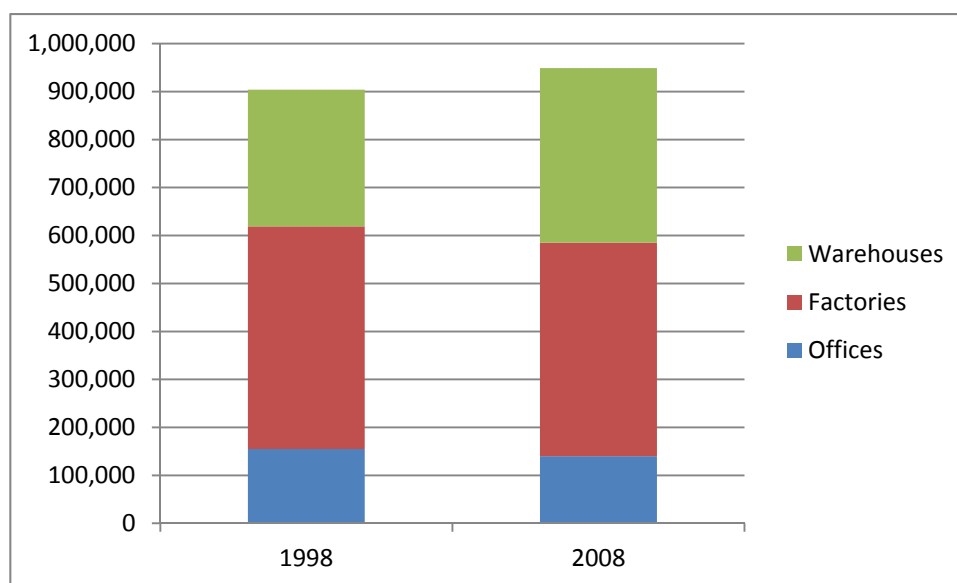
- 3.49 Harlow is a first generation New Town which is expected to deliver high levels of employment growth in the future. However, it is in need of regeneration as its infrastructure and some of its housing is reaching the age when renewal is required. Its economy requires further restructuring as it has not kept up with wider changes over recent decades.
- 3.50 Harlow's economic performance looks very different when viewed from the perspective of a workplace or a resident based economy.
- 3.51 Harlow as a workplace has an excellent strategic location and good connectivity for major markets. It lies between London and Cambridge and is the major conurbation close to Stansted Airport. This has led to it being a successful economy with a diverse range of activity. Whilst not experiencing high job growth, it was for much of the last decade an economy that delivered high value output with productivity well above the national average. But a combination of the recession and the vastly reduced presence of major occupiers such as GSK has hit the local economy hard. Its previous task of renewal and regeneration has been upgraded to requiring more fundamental investment and change.
- 3.52 But for the resident workforce the outlook is even more challenging. Whilst not enjoying the same level of economic success during the growth phase pre-recession the local workforce has been hit hard by loss of jobs both for those working in Harlow and those commuting out for employment elsewhere. There is both a short term jobs challenge and a longer term skills challenge facing the workers of Harlow.
- 3.53 There are opportunities with the development of the London Road and Templefields Enterprise Zones, especially as the strategic road access to these sites will be improved following award of £3.5m from the Growing Places Fund. There are also potential opportunities through housing led regeneration attracting a higher skilled and better paid resident workforce who will in turn bring greater disposable income to the town.
- 3.54 But there are also threats that the loss of a few large employers from the district leaves Harlow vulnerable without a competitive offer to attract footloose replacement occupiers. In the longer term the government's future airport strategy will have a significant impact on the spatial balance of employment within the South East, though this could work either to the advantage or disadvantage of Harlow.

4 PROPERTY MARKET REVIEW

Property Overview

- 4.1 The property stock in Harlow is dominated by industrial and warehousing uses. At 2008 just 15% of the total B class floorspace was offices (compared with about 36% of employment⁹). Both factory and office stock declined over the period 1998-2008, whilst the warehouse stock increased by 79,000 sq m or 28%.

Figure 4.1 Commercial Floorspace Stock Harlow

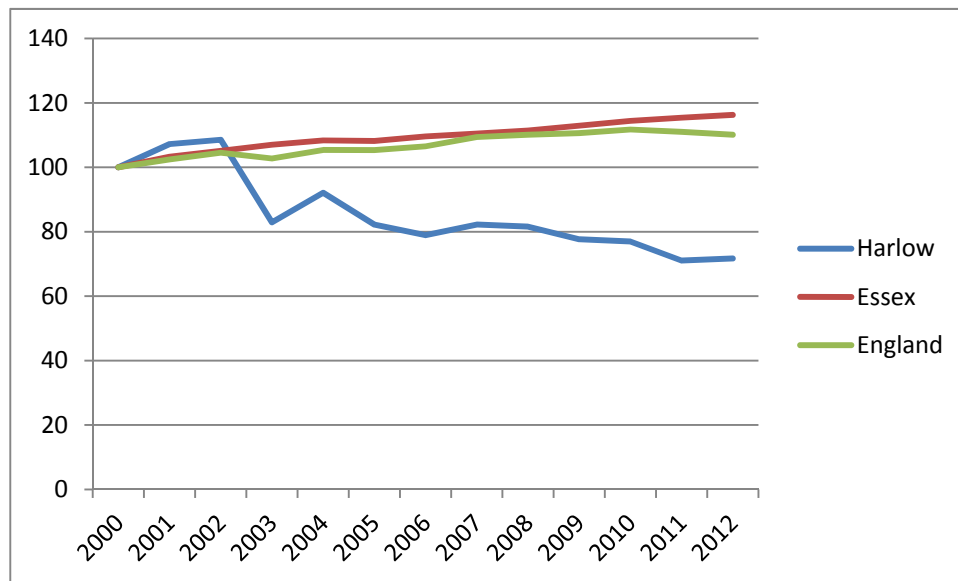


Source: VOA

- 4.2 The decline in office stock runs counter to broader national trends but reflects the employment analysis set out in the previous chapter showing a weak office sector. However the decline in floorspace terms is even more striking and hints at the inappropriateness of the office stock, or change in occupational densities, or some combination of both.

⁹ It is normal for office floorspace to account for a lower proportion than employment due to higher employment densities in office as opposed to industrial property)

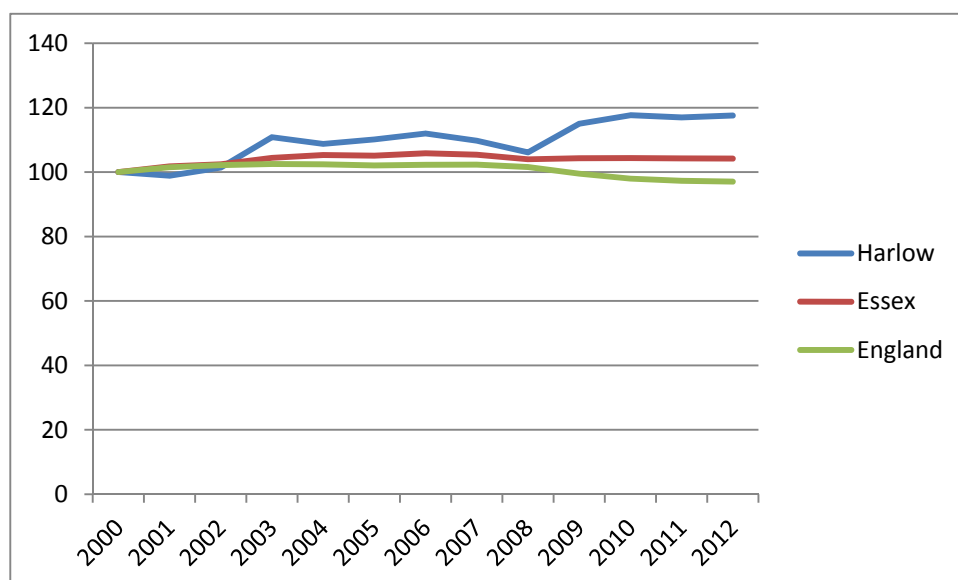
Figure 4.2 Change in Office Stock 2000-12: Index 2000=100



Source: VOA

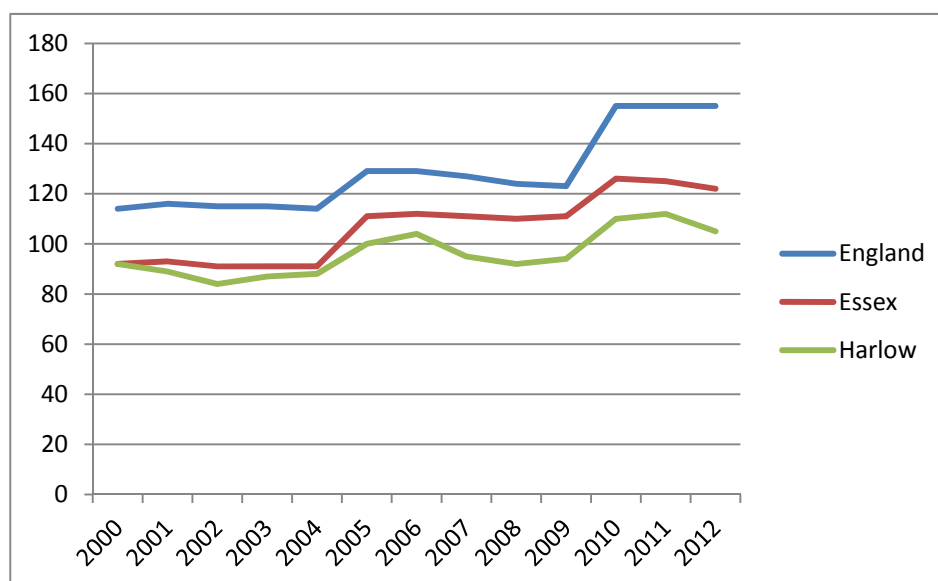
- 4.3 The trend in industrial stock also runs counter to the national trend. For England as a whole over the period 2000-2012 the quantity of industrial space (combined factory and warehousing) declined by -3%. By contrast in Harlow over the same period it rose by 17.5%.

Figure 4.3 Change in Industrial Stock 2000-12: Index 2000=100



- 4.4 The same pattern emerges in terms of rents. Using rateable value as a proxy, office rents in Harlow have been consistently below those of Essex and the national average and since 2000 have grown at less than half the rate leading to a divergence in the differential.

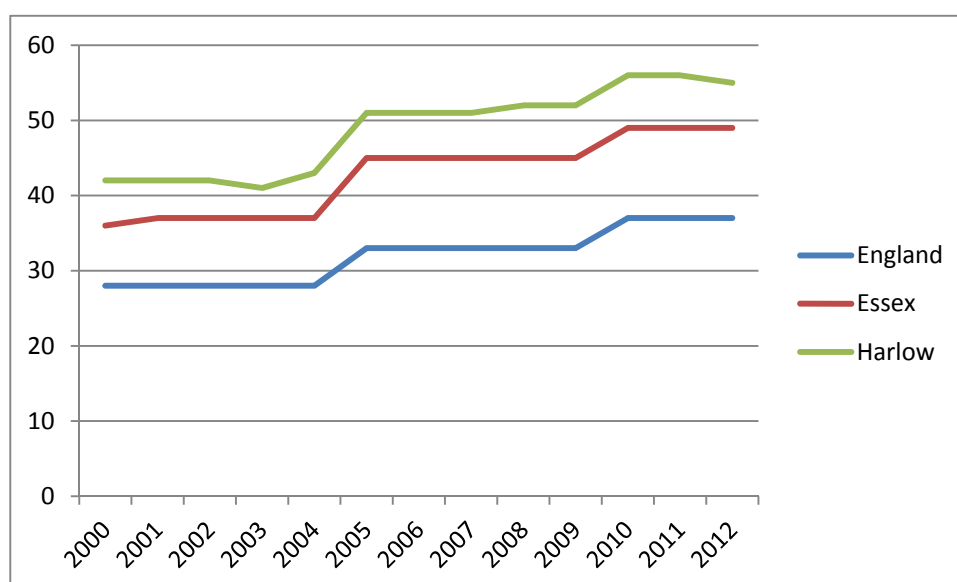
Figure 4.4 Change in Rateable Values Office 2000-12 £ per sq m



Source: VOA

- 4.5 Industrial rents on the other hand are above both the Essex and National average with the latest figures showing a rateable value of £55 per sq m, nearly 50% above the national average. Another way of looking at this is that in Harlow industrial values are 52% of office values compared to 24% nationally.

Figure 4.5 Change in Rateable Values Industrial 2000-12 £ per sq m



Source: VOA

- 4.6 Recent data on age of stock is not available but data from 2004 shows that at that time a high proportion of the commercial stock dates from the 1940-70 period reflecting Harlow's New Town heritage. Unlike the national profile there is virtually no pre-war commercial stock. The warehousing stock has been renewed and updated and is more modern reflecting the increase in stock shown in the graph above. At 2004 a high proportion of the

stock was more than 30 years old, especially in terms of factories. However the visual evidence from our site surveys gives the impression of a modern stock across much of the major employment locations

Figure 4.6 Harlow Commercial Stock by age at 2004

	Pre 1940	1940-70	1971-80	1981-90	1991- 2000	2001-03
Retail	1.4%	32.6%	3.1%	48.4%	14.5%	n/a
Office	0.7%	57.3%	9.2%	14.3%	18.5%	n/a
Factory	n/a	77.3%	10.3%	8.1%	4.3%	n/a
Warehouse	n/a	37.4%	26.4%	29.1%	7.2%	n/a
All bulk classes	0.4%	49.7%	12.0%	19.5%	8.2%	5.9%

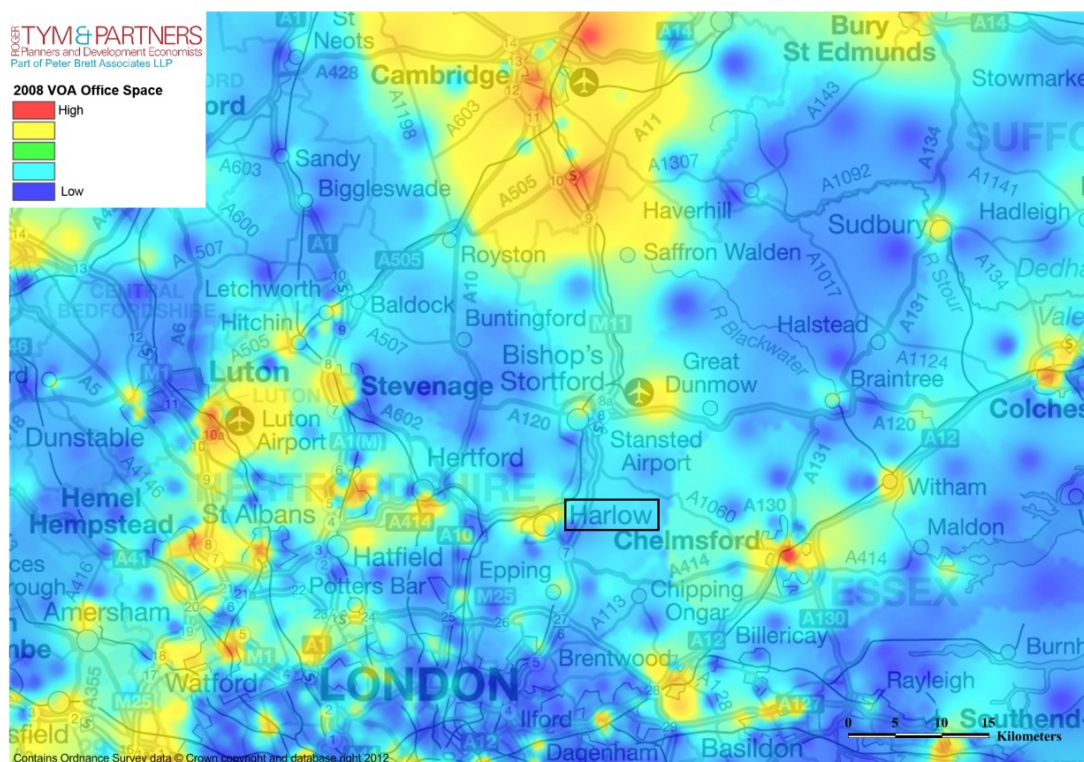
Source: VOA

The Office Market

Harlow falls behind Milton Keynes & Cambridge in attracting major office occupiers

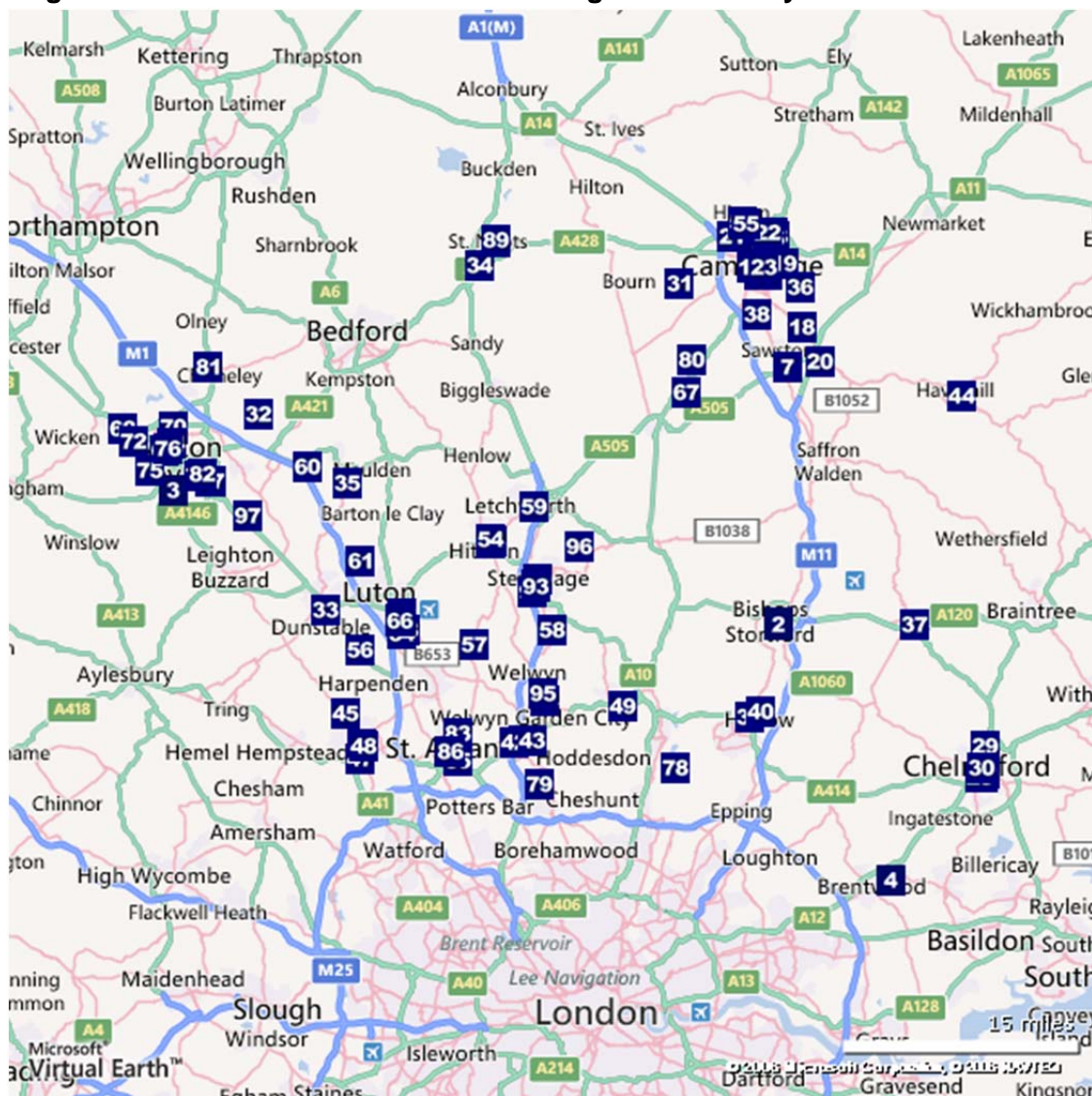
- 4.7 As highlighted in Figure 4.1 above, Harlow office accommodation as a percentage of total floor space is small. Harlow is not a recognised office location and therefore struggles to attract footloose requirements for major office occupiers. Milton Keynes and Cambridge are the dominant centres in attracting these major office occupiers who are seeking to locate north of London outside the M25.

Figure 4.7 Concentrations of Office Floorspace



- 4.8 Analysis of office lettings completed, recorded by CoStar, over the last twelve months (August 2011 – July 2012), and illustrated in the map in Figure 4.8 clearly illustrates the success of Milton Keynes, Cambridge and Chelmsford as an office location over Harlow. The dots on the map represents the location of transactions over the period, and there is a clear high concentration of transactions in these locations.

Figure 4.8 Recorded office transaction August 2011 –July 2012



Source: CoStar

- 4.9 In the twelve month period CoStar recorded 49 transactions in Milton Keynes, Cambridge 79 and Chelmsford 35. Cambridge attracted occupiers such as Booking.com, Jeyes Group, Spiral Software, Carl Zeiss NTS and GMBH. These five transactions amounted to 122,000 sq.m floor space with rents as high as £285 psm. Milton Keynes attracted key occupiers such as Airwatch UK, TSYS Car Tech Research, Nuco Technologies and SAI Global. These four transactions amounted to 9,465 sq.m of floor space and rents of £190 psm being achieved.

- 4.10 Both Cambridge and Milton Keynes are able to offer modern purpose built accommodation with a number of industries forming clusters such as technology, bio-technology, life sciences etc. There is a strong research and development focus to these cities which is another attractive feature to occupiers seeking accommodation.
- 4.11 Harlow is a well-established industrial location, if it would ever like to reposition itself as an office location in the future it would be very difficult due the competition created by Milton Keynes. At present Harlow attracts a different sub-regional market, but if Harlow wished to grow its general office market it would need to be through picking up footloose requirements seeking good quality accommodation located to the north of London, but not in London.
- 4.12 Milton Keynes is a very dominating pull for these footloose occupiers as it has a critical mass of occupiers and stock. As a result of being at this point of the property cycle combined with the availability of stock in Milton Keynes, the rent level that new premises created in Harlow would needed to be marketed at to be competitive to attract these occupiers would result in development to be unviable. Furthermore, when the market improves developers are unlikely to want to develop offices in Harlow in light of the knowledge that Milton Keynes absorbs the majority of general office take-up in this wider north of London area.
- 4.13 During the same twelve month period CoStar recorded just seven office transactions in Harlow (as listed in Table 4.1 below). The most significant transaction was Westlink College taking 413 sq.m at £108 psm.

Table 4.1 Office transactions in Harlow August 2011 – July 2012

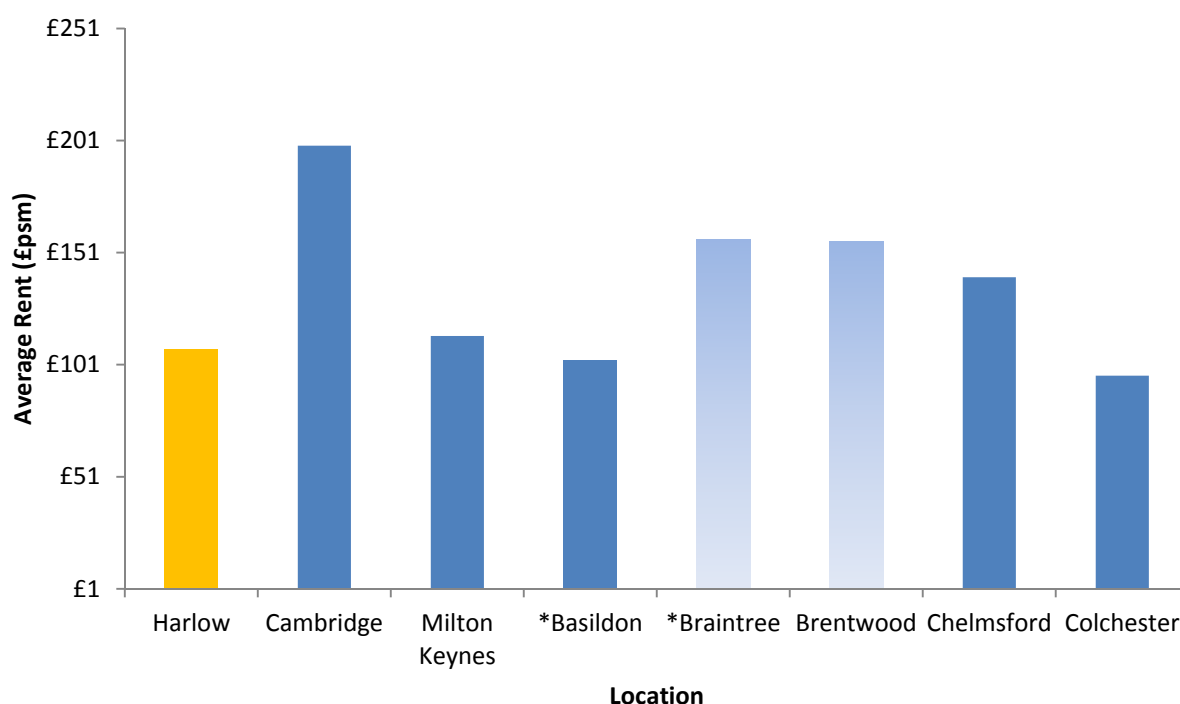
Address			Date of Transaction	Size sq m	Rent psm	Comments
Astra Centre	West Road	Harlow	01 February 2012	312	Not disclosed	
Market House	Market Square	Harlow	01 February 2012	116	£135	Apex Consult Limited has taken 116.00 sq m on a 5 year lease
Market House	Market Square	Harlow	01 February 2012	413	£108	Westlink College Limited has taken 413.05 sq m part of the first floor offices on a 5 year lease
4 Astra Centre	West Road	Harlow	09 November 2011	174	£85	New Era Oil (U.K.) Limited has taken 173.82 sq m of office space, Unit 4 from an undisclosed landlord on a 12 month lease
Astra House	Edinburgh Way	Harlow	01 September 2011	439	Not disclosed	
Phoenix House	Hastingwood Lane	Harlow	12 August 2011	117	£108	Accru has taken 117.06 sq m of ground floor office space (Units 3&6) on a three year lease
Cambridge House	Cambridge Road	Harlow	29 July 2011	200	Not disclosed	Existing tenant has taken 199.93 sq m of part second floor office space from Landlink Plc

Source: Focus/RTP

Office rents in Harlow are competitively priced however, there is significant quantum of floorspace available in the sub-region and wider area

- 4.14 Achieved average office rents in Harlow over the last 12 months were £108psm. This is low compared with Cambridge (£200 psm) and Chelmsford (£140 psm). Offices rents achieved in Harlow are in line with the major office hub of Milton Keynes.

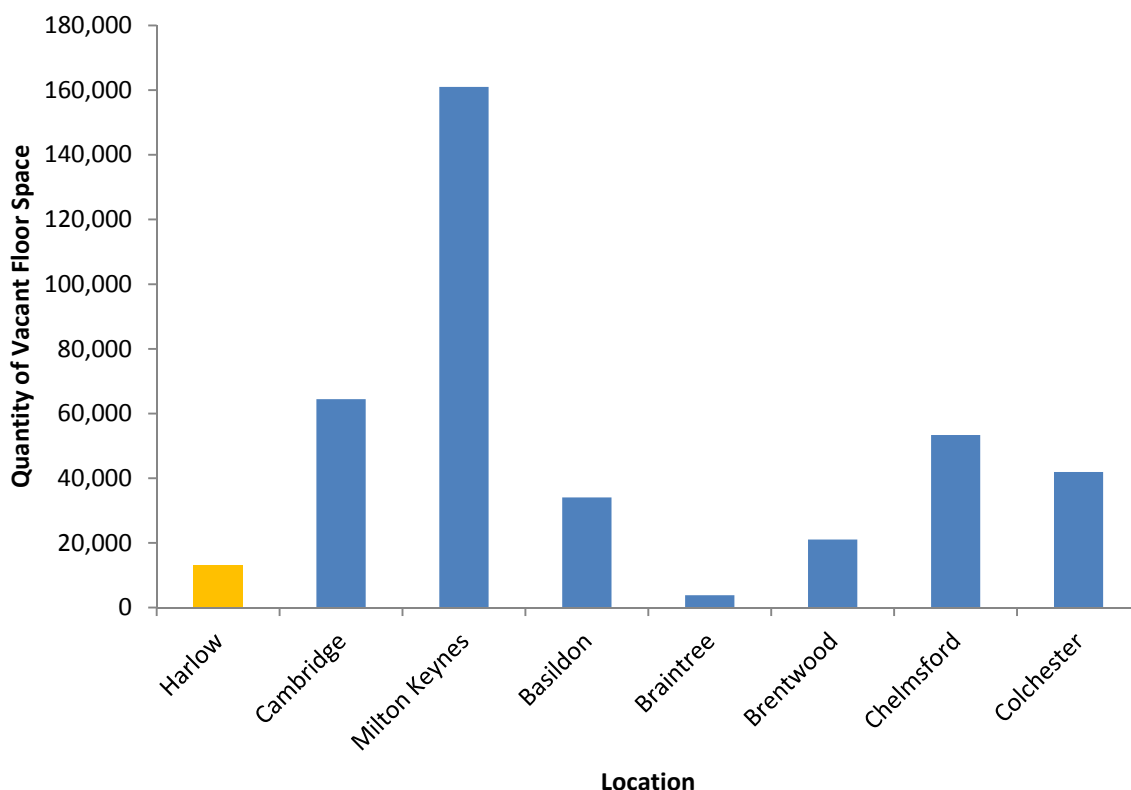
Figure 4.9 Office rents in Harlow and competing centres



Source: CoStar/RTP

- 4.15 Cambridge rents are comparatively high and this is a reflection of the tight supply of accommodation in the city and high quality accommodation sought which commends a rent premium. Chelmsford benefits from being the County Town of Essex. The town is home of the Borough and Council's offices and has attracted financial employers such as IFDS, M&G and Amlin Insurance.
- 4.16 Current availability in the sub-regional competing centres shows that there is significantly more office accommodation available in Milton Keynes, Cambridge, Chelmsford, Colchester and Basildon than Harlow. As shown in the graph in Figure 4.9 overleaf Milton Keynes has 160,000 sq.m of vacant space. This combined with the competitively priced rents means that it is well placed to pick up footloose office requirements.
- 4.17 Cambridge has five times the amount of vacant office space than Harlow. So although Harlow may be able to offer competitively priced accommodation the lack of available space combined with the lack of critical mass of existing occupiers makes it difficult for Harlow to provide direct competition.

Figure 4.10 Quantity of vacant office space in Harlow and competing centres



Source: CoStar/RTP

- 4.18 On a sub-regional basis Chelmsford (54,000 sq.m vacant office space) has relatively significant amount of office space when compared to Harlow's 13,200 sq.m. Chelmsford therefore offers a similar threat to Harlow, but to a lesser scale, than Cambridge i.e. critical mass of occupiers.
Harlow also has vacant office stock but not on the same scale
- 4.19 As shown in Figure 4.9 above Harlow when compared to competing centres has a tight supply of office accommodation. The map below shows the majority of the space advertised is concentrated along the west to north curve created by the Elizabeth Way.
- 4.20 The concentration of vacant units predominantly represents Templefields Industrial Estate and Roydonbury Industrial Estate. Roydonbury Industrial Estate is located adjacent to the New Frontiers Science Park. The Science Park is home of research and development space for GlaxoSmithKline, and although in recent years they have consolidated operations on the site the premises have recently been used to carry out the drug testing at the Olympic games.

Figure 4.11 Currently availability of office accommodation in Harlow



Source: Focus/RTP

- 4.21 The poor office market performance of Harlow is not just a post-recession effect. The 2009 London Office Policy Review published by the GLA undertook a comparison of centres in Outer London (OL) with centres in the Outer Metropolitan Area (OMA). The report compared Harlow with Enfield and noted that,

“Enfield and Harlow are very similar centres, sharing an industrial heritage and experiencing the economic restructuring in recent years that such a shared history implies. Both centres have found it difficult to attract new office occupier interest, and both markets have underperformed over recent years.

Neither centre established itself as a strong office market during previous growth cycles – despite a number of high profile occupiers in Harlow. New speculative development in both centres has been very low.

It is certainly not the case that the OMA centre is outperforming its OL counterpart. Visible decay in the quality of the urban fabric, combined with a lack of available modern premises suggest that both centres will continue to underperform, in a regional context, in what is likely to be an increasingly competitive market to attract large corporate occupiers.”¹⁰

¹⁰ London Office Policy Review 2009 – Ramidus Consulting and Roger Tym & Partners for GLA

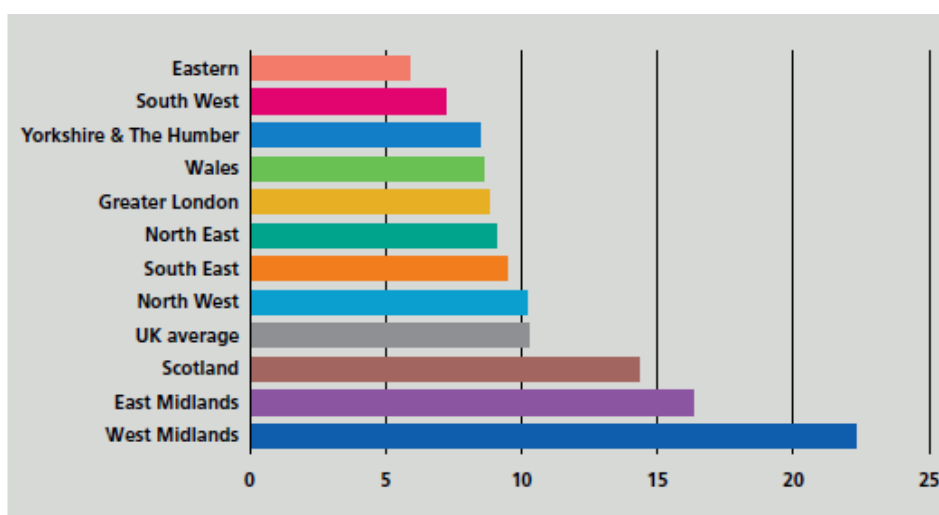
- 4.22 On the Harlow office market the report stated that, *“It must be concluded that Harlow’s prospects for growth, at least in terms of the office market, are quite limited. There is little critical mass from which to grow, and given the socio-economic profile of the town, it is unlikely to be on the search radar of too many footloose corporate occupiers.”*
- 4.23 The significance of this remark is that this report was looking at Harlow in the context of a number of other potentially competing office markets.

The Industrial Market

Eastern Region has a strong industrial market driven by large-scale warehouse distribution

- 4.24 When compared nationally the eastern region industrial market¹¹ (including areas of St Albans, Peterborough, Cambridge and Chelmsford) performs very well. Significant transactions for 2011 in the eastern region were driven by the large-scale distribution warehouse sector. These included Amazon’s 43,200 sq.m in Hemel Hempstead, TCS 18,600 sq.m deal at Tilbury Port and 9,500 sq.m Ocado deal at Welwyn Garden City.
- 4.25 The eastern region is a popular industrial location as it acts as a key distribution hub for retailers to service London and the surrounding northern conurbations as well as providing a link from the south to the north through the motorway (M1 and A1(M)) connectivity.
- 4.26 Demand for industrial accommodation in the eastern region and is subsequent success as a location is highlighted through the availability of industrial premises. Lambert Smith Hampton state that, as a percentage of total stock, the eastern region has the lowest rate throughout the country – standing at just 5.7%. This is highlighted through the table in Figure 4.12 below.

Figure 4.12 Industrial vacancy rates across the UK

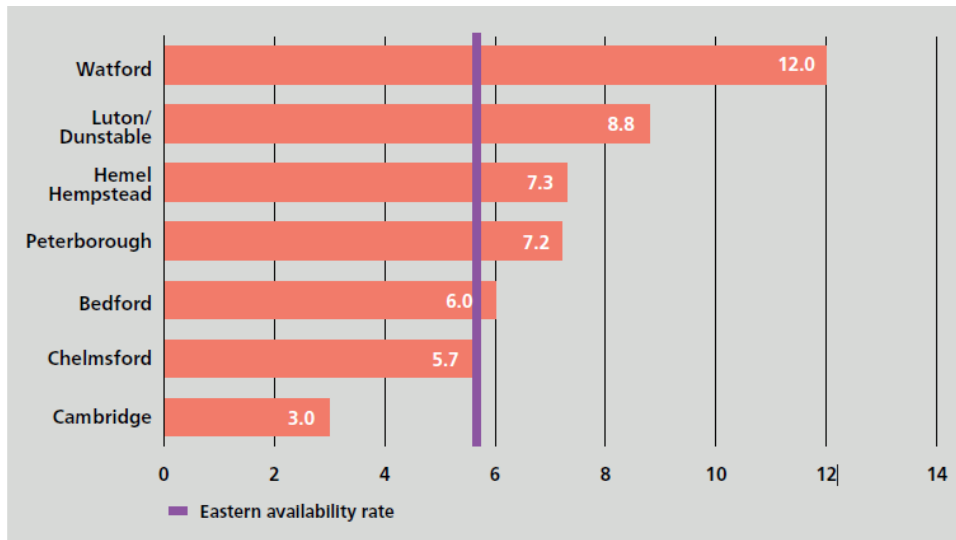


Source: Lambert Smith Hampton

¹¹ Eastern Region defined as per Lambert Smith Hampton's National Industrial & Distribution Market 2012

- 4.27 Of particular note to Harlow, nearby Cambridge has an acute shortage of availability at just 3 per cent of total stock, followed by Chelmsford at 5.7 per cent.

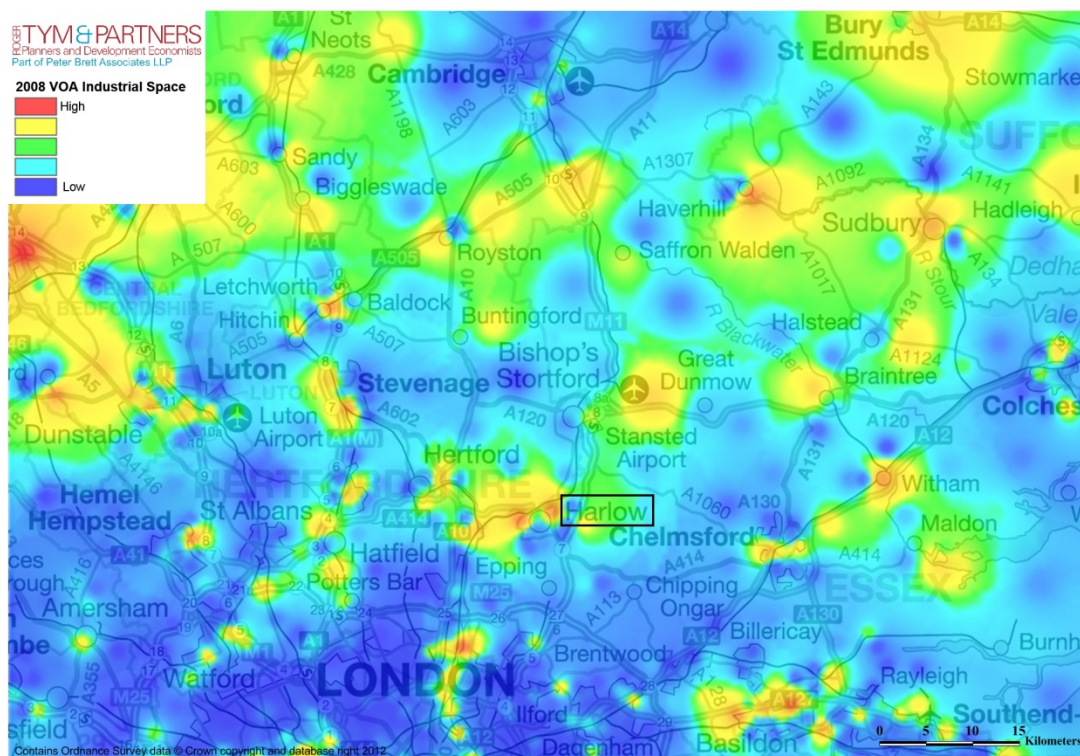
Figure 4.13 Percentage of available industrial accommodation in eastern region



Source: Lambert Smith Hampton

- 4.28 The limited availability in Cambridge presents an opportunity for Harlow to capture overspill demand. It is established as the predominant industrial location in the north east quadrant outside London.

Figure 4.14 Concentrations of Industrial Floorspace



Source: VOA/RTP

Eastern region has acute shortage of large industrial units

- 4.29 Lambert Smith Hampton report that large units i.e. 9,300 sq.m or more are in particular short supply in the eastern region. They indicate that based on the levels of activity in the market during 2011. The current availability of grade A stock represents under six months supply based on the average across the UK (Figure 4.14).

Figure 4.15 Number of months' supply of Grade A large industrial units



Source: Lambert Smith Hampton

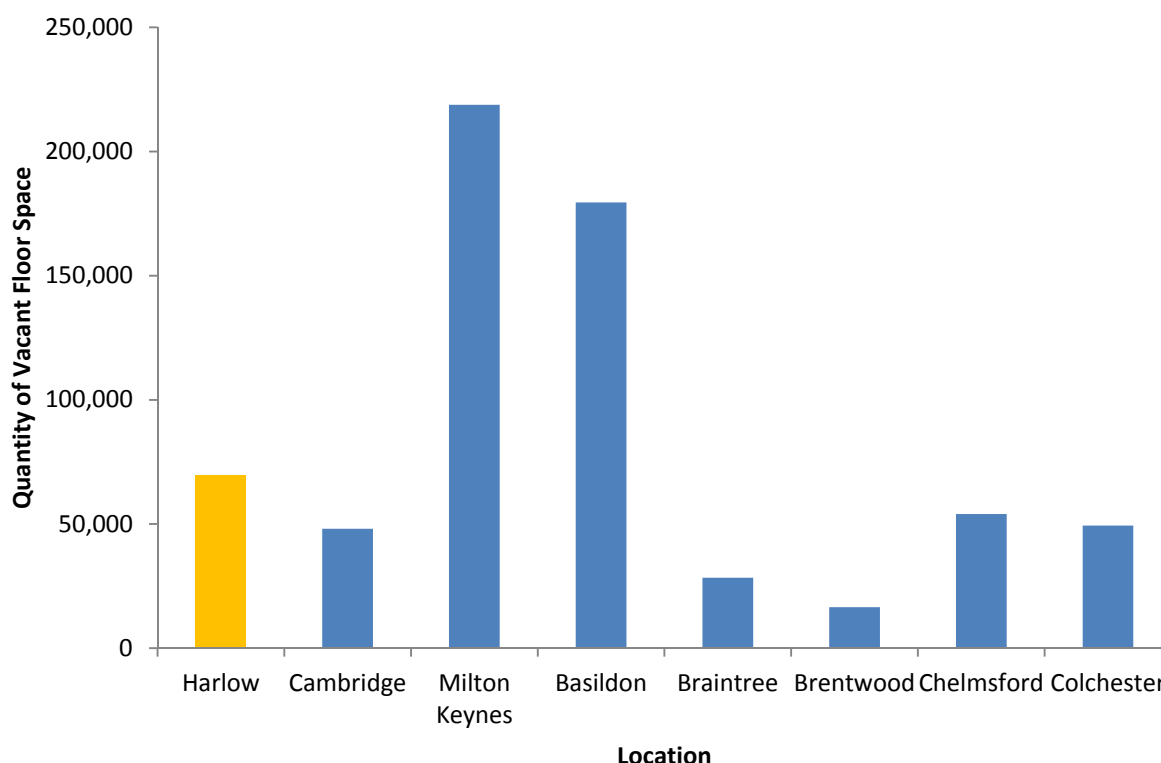
Harlow has limited supply of large-scale distribution warehousing

- 4.30 Current available distribution space in Harlow is characterised through just two schemes:
- Unit 1 Harlow Business Park proposed new build of 111,148 sq.m
 - Vinter House Templefields Industrial Estate – 1970's warehouse which comprises 23,474 sq.m capable of sub-division into three units ranging from 6,612 – 8,431 sq.m. The unit(s) have consent for waste management, warehousing and general industrial.
- 4.31 It is clear from analysis of currently availability of large industrial units in Harlow there is only one unit currently capable of appealing to distribution occupier, however, this will require building out prior to occupation which may limit market interest. If provision were made for this type of space then there would be undoubted market demand.

Small/Medium Industrial Accommodation supply is dominated by Milton Keynes and Basildon

- 4.32 Analysis of small/medium industrial units in the wider area indicates that Milton Keynes has significant availability of 220,000 sq.m in comparison Cambridge has very limited supply of 48,000 sq.m.

Figure 4.16 Supply of small/medium industrial units



Source: CoStar/Focus

- 4.33 On a sub-regional basis Basildon appears to have significant quantum of available industrial floorspace and is a reflection on a large number of estates such as Basildon Business Centre, Burnt Mills Industrial Estate, and Southfields Business Park. However, the quantum of available floorspace in Basildon does not present direct competition on a sub-regional basis to Harlow as Basildon appeals very much to requirements who are seeking accommodation east of London. Harlow appeals to a different market, those seeking accommodation north of London and access to the M11 corridor to service Cambridge and Stansted Airport.

Available accommodation in Harlow is towards the north and west of the town

- 4.34 Current vacancy at Harlow for small and medium sizes industrial accommodation stands at 70,000 sq.m.
- 4.35 As shown in the map in Figure 4.16 below current vacant industrial accommodation units in Harlow are located to the north and west of the town. This type of accommodation is likely to appeal to local and regional occupiers as more general footloose requirements will prefer to be located with ease of access to the motorway. Improved access from Templefields to the A414 and thence to a new junction 7a may change the perception of potential occupiers.

Figure 4.17 Location of industrial accommodation in Harlow

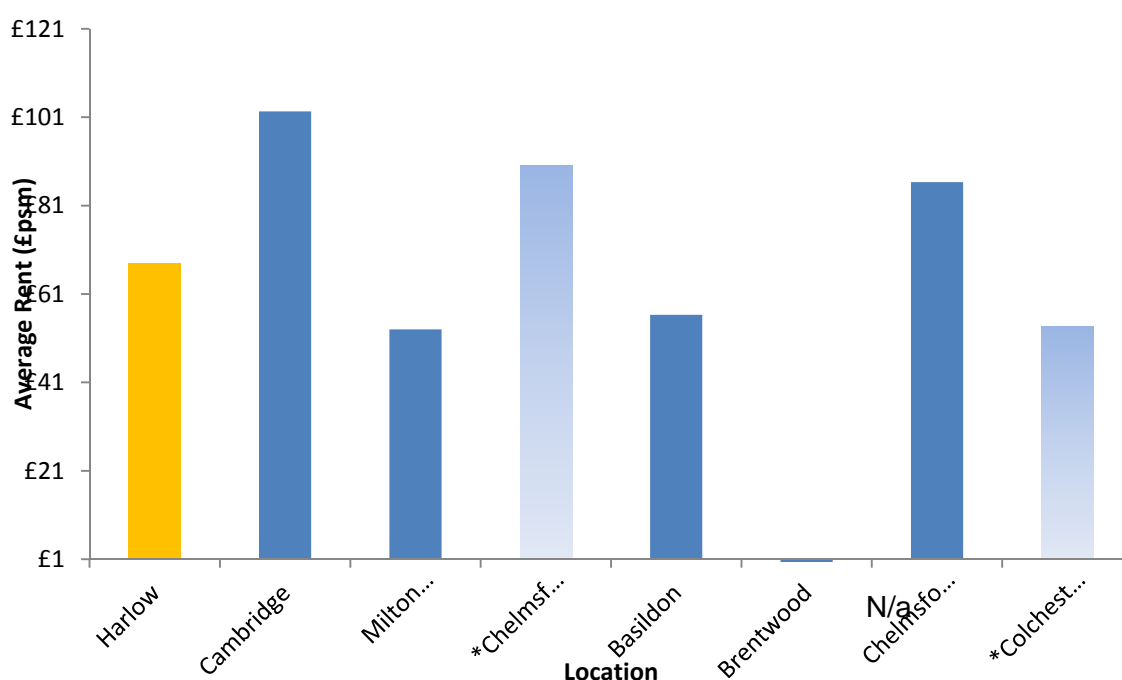


Source: CoStar/RTP

Rents for industrial premises are competitive in Harlow when compared to neighbouring towns

- 4.36 Similar to the office market in Milton Keynes the abundance of vacant industrial accommodation has resulted in rent for small/industrial accommodation being comparatively low at £53 psm.
- 4.37 Analysis of transaction completed for industrial premises over a two year period (July 2010 – June 2012) indicates that Harlow rents are competitive. The average rent for transactions completed in Harlow over this period was £68 psm this is lower than both Cambridge (£102 psm) and Chelmsford (£90 psm).

Figure 4.18 Average rents in Harlow and competing centres



Source: CoStar/RTP

*Small sample of transactions analysed.

Consultation with Commercial Agents

- 4.38 In addition to the published commercial data we have consulted with commercial agents that are active in the Harlow market. Some of the comments from these consultations setting out a local view on the property market are summarised below:
- Harlow's industrial market is constrained, there has not been much development activity.
 - Latent demand for mid-sized units of 2,787 sq.m, 3,716 sq.m and 4,645 sq.m. Demand driven by local companies.
 - A developer building out a scheme of a couple (x2) of mid-sized units would be successful.
 - Currently there is not much demand for very small units or large-scale warehousing.

- If more new build units became available in Harlow would be scope to attract requirements from neighbouring localities.
- Industrial market opportunity would be through developing out the east side of the town in conjunction with the proposed junction 7a M11.
- Enquiries are mainly driven by local occupiers and not national.
- In recent months enquiries have been mainly from local occupiers seeking units circa 232 sq.m.
- Enquiries do not particularly favour one area of the town. Notwithstanding that, Pinnacle Industrial Estate and the Harlow Enterprise Centre at Burnt Mill are popular.
- Prime industrial in Harlow is currently £75 to £86 per sq.m.

Conclusions

- 4.39 The property market analysis shows Harlow as being a strong centre for industrial activity. Industrial stock has increased and rents are well above the national average. With shortages of industrial accommodation in other regional centres such as Cambridge the prospects for the industrial market in Harlow continue to look good.
- 4.40 There is a shortage of large scale distribution units and the other issue for the industrial market in Harlow is that the vacant property is currently located to the north and west of the town which is not likely to be seen as an optimal location for occupiers going forward. However infrastructure improvements to provide enhanced accessibility to the Motorway would be likely to impact positively on market demand.
- 4.41 Sites to the east with better motorway access will be more sought after. The London Road Enterprise Zone site provides an opportunity to develop this offer for the market.
- 4.42 The office market in Harlow by contrast looks weak with declining stock and comparatively low rents. There is also a large volume of available space at competing locations such as Milton Keynes and to a lesser extent Cambridge and Chelmsford. It is difficult to see what could change the outlook for the office market in Harlow in the medium term.

5 ANALYSIS OF HARLOW EMPLOYMENT AREAS

Introduction

- 5.1 this chapter we provide an overview of Harlow's employment areas. This chapter provides a discussion of the principal characteristics of these areas in terms of the types of occupiers, recent transactions and quality of premises. A more formal site assessment schedule is set out in the Appendix.

Harlow's Employment Areas

- 5.2 The Gibberd masterplan for Harlow identified two large employment areas to the north and west of the town. These are the two areas known as Pinnacles and Templefields. The masterplan was designed at the time when the proposal was to take the M11 motorway to the west of the town rather than its current route to the east and hence these major employment areas now lack the strategic access they need.
- 5.3 Harlow's Adopted Replacement Local Plan identified seven employment areas (in addition to the town centre) and two proposed. A full breakdown is provided in Table 5.1 below.

Table 5.1 Employment areas identified within Harlow's Local Plan

Plan ref no.	Employment area name
Existing employment areas	
ER5/1	Templefields and Riverway
ER5/2	Pinnacles
ER5/3	Burnt Mill
ER5/4	Staple Tye
ER5/5	Bush Fair
ER5/6	Nortel Networks
ER5/7	Church Langley
New employment land	
ER2/1	Land north of Nortel Networks
ER2/2	Newhall

Source: Adopted Replacement Harlow Local Plan July 2006

Templefields

- 5.4 Templefields is a large industrial estate which lies north of the railway line. As the estate has expanded over the years a number of smaller estates have been created in the wider Templefield area.
- 5.5 Within the overall estate various clusters of activity have emerged. One part, for example, has a lot of building trades. The estate also contains some of the bad neighbour activity such as recycling and concrete batching.
- 5.6 There are some logistics operators, including some quite large scale operations although some of the large units are also vacant.
- 5.7 Generally vacancy rates are low and the estate is well occupied. But there are a few large units that are vacant. Given the size of the units this will push up the overall vacancy rate.
- 5.8 The North East part of Templefields covering 28 hectares has been granted Enterprise Zone status with activity targeted at manufacturing and light / heavy industrial occupiers. There are buildings on the site (principally warehousing with ancillary offices) and it is assumed that some of these will be retained and some will be replaced.
- 5.9 The industrial area that lies north and south of Edinburgh Way has a distinctive character to the area of Templefields north of the railway. In general it looks to be performing very well, although on the north side of Edinburgh Way more frontages have been lost to car showroom and other quasi retail uses. There are a mix of building types mainly smaller industrial production/distribution units but some larger industrial units and also a couple of medium sized distribution units. Properties in general range from 1970s – 1990s and seem well maintained and in good condition. There is a low vacancy rate.

Figure 5.1 Industrial Unit Edinburgh Way



Source: RTP

- 5.10 There is a wide mix of different types of uses with medium sized distribution units. Within parts of the area there has been a loss of land to trade counter activity.
- 5.11 Within the estate there are a small number of sites that come available for redevelopment and in general these seem to be recycled quite quickly maintaining high levels of occupancy and the impression of a prospering business estate.
- 5.12 The area adjacent to Edinburgh Way is in a good condition and seems to be thriving. It would appear to need little intervention though it may require protection to prevent further accretion to trade counter activity
- 5.13 Vacancy factors seem higher amongst the more limited office content that exists within this employment area. Both purpose built office HQ office units such as Astra House and more workshop type office units, such as Peartree Business Centre, are both advertising vacant units.

Peartree Business Centre

Figure 5.2 Offices to let at Peartree Business Centre



Source: RTP

Pinnacles

- 5.14 Pinnacles is a very large employment area to the west of the district. It includes high quality employment uses and large occupiers such as Pitney Bowes and GSK. However both these companies have made announcements about relocating their activity elsewhere.
- 5.15 Throughout the remainder of what is a very large estate there is a high quantity of good quality modern industrial units. Pinnacles as a whole is a high quality employment area with a range of property and occupiers including production, distribution and office uses. Whilst there are some vacancies these do not appear to be excessive and are probably at about the right level to encourage healthy churn.

- 5.16 The exception is of course the large GSK site. The Health Protection Agency have announced their intention to occupy part of the site but some form of intervention will almost certainly be required to bring the site as a whole back in to productive use. Whilst the location in the Pinnacles may have served GSK well as a pharma company for security reasons, other potential occupiers may be deterred by the fact that it is set back on the wrong side of town without good access to the Motorway.
- 5.17 The access to the Pinnacles from the motorway is generally along Southern Way. But the distance from the M11, the fact that it crosses Harlow from east to west and the volume of traffic reduces its appeal for some companies.

Figure 5.3 GSK Site at Harlow's Science Park



Source: RTP

- 5.18 Much of the employment activity at the Pinnacles (and indeed some other employment areas in Harlow) does not fall neatly into the category of manufacturing or offices and occupiers are engaged in a range of activities within similar types of buildings. It is this hybrid office/industrial activity providing services to the service sector that is likely to be the source of much of the future demand for the Harlow employment estates. To illustrate the types of activity that typically are carried out in such premises we reproduce a table from the London Office Policy Review¹².

¹² London Office Policy Review – Ramidus Consulting and Roger Tym & Partner for GLA 2012

Figure 5.4 Activities in shed buildings

Production	Support
Assembly	Management and administration
Craftwork	Goods dispatch/receipt
Customisation	Customer support (call centre)
Design	Customer consultation
Engineering	Demonstration
Food preparation	Retail & wholesale sales
Graphic design	Sales & marketing
Maintenance	Technology
Packing	Training
Printing	Software development
Repair	Showroom
Storage & consolidation	Entertainment and hospitality

Source: Ramidus

- 5.19 We would anticipate that much for the future demand for the Pinnacles will come from companies operating in these types of activities. For such firms the availability of the right type of premises at the right price enable them to service a broadly regional market.

Burnt Mill

- 5.20 Burnt Mill is mix of industrial uses near to the station with properties varying in age and quality. This includes the Harlow Enterprise Centre which has very low vacancy rates. Workspace Group have a large number of properties that are at the older and less visually attractive end of the market but are still well occupied. This site also includes some auto and MOT units, sheet metal works and music distribution company to give an example of the range. The size and type of units are listed below.
- 5.21 The site appears to be very well occupied and fulfilling a function and does not seem in need of any particular intervention.

Table 5.2 Burnt Mill industrial accommodation unit type and sizes

Address	Premises Type	Size sq.m
1-6, BURNT MILL, ELIZABETH WAY	CAR SHOWROOM & PREMISES	2,483
25/26, BURNT MILL, ELIZABETH WAY	FACTORY AND PREMISES	325
17, BURNT MILL, ELIZABETH WAY	OFFICES AND PREMISES	320
OUTDOOR PURSUITS CENTRE, BURNT MILL LANE	OUTDOOR PURSUITS CENTRE AND PREMISES	969
9, BURNT MILL, ELIZABETH WAY	STORAGE DEPOT AND PREMISES	197
19, BURNT MILL, ELIZABETH WAY	STORE AND PREMISES	75
34, BURNT MILL, ELIZABETH WAY	STORE AND PREMISES	163
7, BURNT MILL, ELIZABETH WAY	WAREHOUSE AND PREMISES	413
10, BURNT MILL, ELIZABETH WAY	WAREHOUSE AND PREMISES	606
11, BURNT MILL, ELIZABETH WAY	WAREHOUSE AND	337

Address	Premises Type	Size sq.m
	PREMISES	
12/13, BURNT MILL, ELIZABETH WAY	WAREHOUSE AND PREMISES	1,463
14, BURNT MILL, ELIZABETH WAY	WAREHOUSE AND PREMISES	523
16, BURNT MILL, ELIZABETH WAY	WAREHOUSE AND PREMISES	3,790
22, BURNT MILL, ELIZABETH WAY	WAREHOUSE AND PREMISES	859
24, BURNT MILL, ELIZABETH WAY	WAREHOUSE AND PREMISES	687
28, BURNT MILL, ELIZABETH WAY	WAREHOUSE AND PREMISES	179
29, BURNT MILL, ELIZABETH WAY	WAREHOUSE AND PREMISES	159
30, BURNT MILL, ELIZABETH WAY	WAREHOUSE AND PREMISES	244
31, BURNT MILL, ELIZABETH WAY	WAREHOUSE AND PREMISES	203
33, BURNT MILL, ELIZABETH WAY	WAREHOUSE AND PREMISES	163
35/36, BURNT MILL, ELIZABETH WAY	WAREHOUSE AND PREMISES	376
38, BURNT MILL, ELIZABETH WAY	WAREHOUSE AND PREMISES	347
39-40, BURNT MILL, ELIZABETH WAY	WAREHOUSE AND PREMISES	449
41, BURNT MILL, ELIZABETH WAY	WAREHOUSE AND PREMISES	148
42, BURNT MILL, ELIZABETH WAY	WAREHOUSE AND PREMISES	166
43-45, BURNT MILL, ELIZABETH WAY	WAREHOUSE AND PREMISES	786
46, BURNT MILL, ELIZABETH WAY	WAREHOUSE AND PREMISES	241
47, BURNT MILL, ELIZABETH WAY	WAREHOUSE AND PREMISES	164
48/49, BURNT MILL, ELIZABETH WAY	WAREHOUSE AND PREMISES	390
50, BURNT MILL, ELIZABETH WAY	WAREHOUSE AND PREMISES	594
20, BURNT MILL	WAREHOUSE AND PREMISES	1,219
18, BURNT MILL, ELIZABETH WAY	WAREHOUSE, STORE AND PREMISES	272
8, BURNT MILL, ELIZABETH WAY	WORKSHOP AND PREMISES	259
27, BURNT MILL, ELIZABETH WAY	WORKSHOP AND PREMISES	160
32, BURNT MILL, ELIZABETH WAY	WORKSHOP AND PREMISES	159
37, BURNT MILL, ELIZABETH WAY	WORKSHOP AND PREMISES	163
52, BURNT MILL, ELIZABETH WAY	WORKSHOP AND PREMISES	193
FORMER BRITISH GAS DEPOT, BURNT MILL, ELIZABETH WAY	WORKSHOP AND PREMISES	964

Address	Premises Type	Size sq.m
Total		21,208

Source: VOA/RTP

Figure 5.5 Good quality industrial unit at Burnt Mills



Source: RTP

Town Centre

- 5.22 In addition to the designated employment areas listed in Table 5.1, there is also a cluster of B class office space in the town centre. The town centre also provides employment through its mix of other retail and leisure functions.
- 5.23 Employment within Harlow's town centre is predominantly office accommodation focused around Westgate area. Significant office accommodation includes; Westgate House, Aylmer House with the more modern accommodation of the Mitre Buildings located on Kitson Way. On the other side of the town centre there is the refurbished space at Terminus House, Terminus Way with Redstone House located nearby.
- 5.24 Occupiers of the town centre office stock are primarily public or quasi public sector including the Council, the Police and the Job Centre.
- 5.25 There is a high level of vacant stock and generally what is on offer is unattractive to contemporary businesses.
- 5.26 The Town Centre has already seen some residential conversions of former office blocks.

Station Office Cluster

- 5.27 There is a further small cluster of offices that has developed close to Harlow Town Station. These office are modern well occupied and in good condition. The space is flexible so both small and large suites can be offered. The buildings are well located for the train station and the local road network so appealing to local, regional and national companies.

Figure 5.6 Town Centre Office Block (Joseph Rank House) converted to Residential



Neighbourhood Centres

- 5.28 There are two neighbourhood centres which are intended to provide a local employment focus. Both of these are situated just of Southern Way.

Staple Tye (Perry Road)

- 5.29 This is a local centre which lies behind a local retail centre to the south of the district. Activity is primarily light industrial but there are some auto sales and MOT units.
- 5.30 There are 24 units at Staple Tye which total 13,848 sq.m. A breakdown of these units is provided in Table 5.3. There are a good mix of sizes from the small office suites at Enterprise House to the large factory unit of Akhter House.

Table 5.3 Staple Tye accommodation type and sizes

Address	Premises Type	Size sq.m
1-3 NEWCOURT BUSINESS PARK, PERRY ROAD	WAREHOUSE AND PREMISES	539
5/6, PERRY ROAD	FACTORY AND PREMISES	494
7, PERRY ROAD	FACTORY AND PREMISES	226
8, PERRY ROAD	FACTORY AND PREMISES	167
10 STAPLE TYE MEWS	OFFICES AND PREMISES	26
AKHTER COMPUTERS, PERRY ROAD	WORKSHOP AND PREMISES	911
AKHTER HOUSE, PERRY ROAD	FACTORY AND PREMISES	3,163
BERISON HOUSE, PERRY ROAD	WORKSHOP AND PREMISES	996
J M W LTD, PERRY ROAD	WAREHOUSE AND PREMISES	1,369
PRINGLE ENGINEERING NETWORK HOUSE, PERRY ROAD	FACTORY AND PREMISES	2,646

Address	Premises Type	Size sq.m
SUPERDRIVE, PERRY ROAD	VEHICLE REPAIR WORKSHOP AND PREMISES	346
THE GATEWAY CENTRE, PERRY ROAD	DAY NURSERY AND PREMISES	355
UNIT 1 ENTERPRISE HOUSE, PERRY ROAD	OFFICES AND PREMISES	21
UNIT 1A ENTERPRISE PARK, PERRY ROAD	VEHICLE REPAIR WORKSHOP AND PREMISES	228
UNIT 2 ENTERPRISE HOUSE, PERRY ROAD	WAREHOUSE AND PREMISES	692
UNIT 3 ENTERPRISE HOUSE, PERRY ROAD	WORKSHOP AND PREMISES	146
UNIT 4, PERRY ROAD	WORKSHOP AND PREMISES	137
UNIT 4 ENTERPRISE HOUSE, PERRY ROAD	WAREHOUSE AND PREMISES	135
UNIT 5 ENTERPRISE HOUSE, PERRY ROAD	OFFICES AND PREMISES	99
UNIT A/C WARWICK HOUSE, PERRY ROAD	DAY NURSERY AND PREMISES	445
UNIT B WARWICK HOUSE, PERRY ROAD	FACTORY AND PREMISES	303
UNIT D WARWICK HOUSE, PERRY ROAD	TRAINING CENTRE	321
UNITS 6/7 ENTERPRISE HOUSE, PERRY ROAD	OFFICES AND PREMISES	67
Total		13,834

- 5.31 There has already been some encroachment of 'D' uses on the estate. For example, part of Enterprise House has been converted to a day nursery. Whilst still providing some employment and providing community amenities, it still represents a loss of B class employment stock.

Figure 5.7 Business Unit with some change of use for Nursery provision



Source: RTP

Bush Fair (The Fairway/Tilegate Road)

- 5.32 Bush Fair is a small industrial area to the south of Harlow town centre. The estate is suited to small business serving the local area.
- 5.33 The area has approximately 17 units, predominately made up of small workshop units, equating to 9,500 sq.m of floorspace (Table 5.4 below).

Table 5.4 Quantity of Employment space at Bush Fair

Address	Premises Type	Size sq.m
5 FACTORY BAYS, THE FAIRWAY	WORKSHOP AND PREMISES	260
6 FACTORY BAYS, THE FAIRWAY	WORKSHOP AND PREMISES	195
A1 BACON, THE FAIRWAY	WORKSHOP AND PREMISES	1,452
CROSSAL ENGINEERING CO, THE FAIRWAY	FACTORY AND PREMISES	748
CYP, THE FAIRWAY	WAREHOUSE AND PREMISES	718
LUMINESCENCE INC, THE FAIRWAY	WORKSHOP AND PREMISES	1,746
PACE PRECISION LTD, THE FAIRWAY	WORKSHOP AND PREMISES	1,054
SABIR PLANT HIRE, THE FAIRWAY	STORAGE DEPOT AND PREMISES	333
THE LASER EDGE PROFILING LTD, THE FAIRWAY	WORKSHOP AND PREMISES	1,105
UNIT 1, THE FAIRWAY, HARLOW	WORKSHOP AND PREMISES	758
UNIT 2 FACTORY BAYS, THE FAIRWAY	WORKSHOP AND PREMISES	188
UNIT 3 FACTORY BAYS, THE FAIRWAY	WAREHOUSE AND PREMISES	242
UNIT 4 FACTORY BAYS, THE FAIRWAY	WORKSHOP AND PREMISES	188

Address	Premises Type	Size sq.m
UNIT 1 CENTURY HOUSE, TILEGATE ROAD	WAREHOUSE AND PREMISES	282
UNIT 2 CENTURY HOUSE, TILEGATE ROAD	WAREHOUSE, WORKSHOP AND PREMISES	234
Total		9,505

Source: VOA/RTP

- 5.34 This is a local centre consisting of older secondary industrial quality stock. Occupiers include sheet metal workers, MOT car repair, plant hire and health centre. Whilst stock does not appear of good quality vacancy rates seem low.
- 5.35 It includes a housing unit in the middle of an industrial estate which does not appear ideally located.

Latton Bush Centre

- 5.36 The Latton Bush is a converted school building providing small business units. It comprises of 2 areas, the main centre which has 2 blocks of offices and the conference centre, the business centre has a range of office, recreation, conference/meeting rooms, and business centre space. There is currently space available for rent in all areas of the main centre and there are some vacant Units in the business centre.
- 5.37 It contains activities such as community uses and a tanning centre. The centre is broken down into 14 suites ranging in size from 25 sq.m to 110 sq.m, totalling 748 sq.m.

Table 5.5 Latton Bush Centre accommodation type and size

Address	Premises Type	Size sq.m
21 LATTON BUSH CENTRE, SOUTHERN WAY	OFFICES AND PREMISES	25
22 LATTON BUSH CENTRE, SOUTHERN WAY	OFFICES AND PREMISES	25
23 LATTON BUSH CENTRE, SOUTHERN WAY	OFFICES AND PREMISES	27
26/27 LATTON BUSH CENTRE, SOUTHERN WAY	OFFICES AND PREMISES	94
39 LATTON BUSH CENTRE, SOUTHERN WAY	OFFICES AND PREMISES	27
40 LATTON BUSH CENTRE, SOUTHERN WAY	OFFICES AND PREMISES	53
43 LATTON BUSH CENTRE, SOUTHERN WAY	OFFICES AND PREMISES	51
44/46 LATTON BUSH CENTRE, SOUTHERN WAY	OFFICES AND PREMISES	60
53 LATTON BUSH CENTRE, SOUTHERN WAY	OFFICES AND PREMISES	84
54/55 LATTON BUSH CENTRE, SOUTHERN WAY	OFFICES AND PREMISES	23
56/57/58 LATTON BUSH CENTRE, SOUTHERN WAY	OFFICES AND PREMISES	84
59 LATTON BUSH CENTRE, SOUTHERN WAY	OFFICES AND PREMISES	110
60 LATTON BUSH CENTRE, SOUTHERN WAY	OFFICES AND PREMISES	28
61-62 LATTON BUSH CENTRE, SOUTHERN WAY	OFFICES AND PREMISES	56
Total		748

- 5.38 Vacancy rates appear low and this is probably serving local need by providing relatively low cost accommodation at £8 psf.

London Road North

- 5.39 Since the Local Plan was introduced an Enterprise Zone has been created in Harlow. The Enterprise Zone (Enterprise West Essex @ Harlow) encompasses the previous identified employment areas of the Nortel Networks (plan ref: ER5/6) and land to its north (plan ref: ER2/1), along with the eastern section of Templefields (ER5/1). The two zones are defined in the map in Figure 5.8.

Figure 5.8 Location Plan of Enterprise West Essex @ Harlow



Source: Harlow Council

- 5.40 The purpose of the Enterprise Zone is to promote medical technology, advanced manufacturing and other high tech company cluster. The total site area of the Enterprise Zone is 51ha, split 23ha at Nortel and 28ha at Templefields.
- 5.41 We have noted the Templefields site previously. The Nortel site and the land to the north of it form the other Enterprise Zone known as the London Road Campus. The site lies to the East of the district between the A414 and London Road. The Enterprise Zone is being targeted at Research & Development and some light industrial users.
- 5.42 The former Nortel Campus is now very under-occupied, though some companies such as Arrow Electronics are still operating from there. We would anticipate that the whole site would be redeveloped rather than re-use of the existing premises.
- 5.43 The choices are whether to hold out for a large single user or whether to redevelop in a series of smaller plots providing more of the type of property that seem in demand

elsewhere in the district. This latter approach would need to be done incrementally and may not be in keeping with the wider EZ ambitions for the site.

5.44 The vision for the site as set out in the Masterplan¹³ is that:

“London Road North will be a distinctive, highly accessible and sustainable business park location which will provide an attractive range of high quality, well landscaped employment premises suitable for a range of small, medium and large businesses within the target Med-Tech, ICT and Advanced Manufacturing sectors.

London Road North benefit from strong connections to the strategic road network. Development will be structured around an efficient and legible street network providing strong connections to the rest of Harlow by public transport, road, foot and bicycle. The design and layout of development will help to ensure the site is carefully integrated with its surrounding urban and landscape context.

Alongside the development at Newhall, London Road North will comprise a sustainable and highly prestigious new addition to east Harlow, providing the essential economic growth, jobs and housing the town needs in order to grow.

The clustering and growth of target sectors within the zone will galvanise Harlow’s existing strengths in the knowledge and high technology growth sectors generating spin-off effects to surrounding employment areas. Development of the site will put Harlow and West Essex firmly on the map as one of the places driving economic growth within the South East Enterprise Partnership area and making a powerful contribution to the economic recovery of the country as a whole.”

Enterprise Zone Benefits

5.45 As set out by CLG, all Enterprise Zones will benefit from:

- A business rate discount worth up to £275,000 per business over a five year period;
- All business rates growth within the zone for a period of at least 25 years will be retained by the local area, to support the Partnership’s economic priorities and ensure that Enterprise Zone growth is reinvested locally;
- Government help to develop radically simplified planning approaches for the zone using, for example, existing Local Development Order powers;
- Government support to ensure that superfast broadband is rolled out throughout the zone.

5.46 CLG will also work with local enterprise partnerships on additional options, to suit local circumstances, including consideration of:

- Enhanced capital allowances for plant and machinery, in a limited number of cases and subject to State Aid, where there is a strong focus on manufacturing;
- Tax Increment Finance to support the long-term viability of the area;

¹³ London Road North Masterplan – Enterprise West Essex@Harlow

- UKTI support for inward investment or trade opportunities in the zone.

- 5.47 In addition, local enterprise partnerships are also asked to consider how best they can make the link between Enterprise Zones, the Regional Growth Fund and the European Regional Development fund and what else they, the local economic partnership, can do to support the Enterprise Zone. Some other incentives are possible subject to State Aid rules but outside of Assisted Areas these are quite limited.
- 5.48 Whilst attractive and conferring some competitive advantage on the site the scale of the incentives may not be sufficient to trigger a step change in occupiers' decisions but rather act as an influence on marginal decisions.
- 5.49 Granta Park Cambridge and Sheffield's Advanced Manufacturing Plant provide good examples of successful schemes and provides a benchmark to the Harlow's EZ proposals. (see Case Study Box)

Box 1: Examples of high quality successful medical technology, advanced manufacturing accommodation

Granta Park, Cambridge

Granta Park is within the Cambridge Science cluster and located adjacent to the A11, this in turn provides direct access onto junction 9a M11. The units are constructed to a high standard providing office and/or laboratory accommodation. Tenants include Intergence Systems, MedImmune and ghd

Franklin Building, Granta Park, Cambridge



Source: MEPC

Advanced Manufacturing Park, Sheffield

Sheffield's Advanced Manufacturing Park was opened in 2006. The park forms part of Sheffield EZ. The park is located at junction 33 M1. The purpose of the park is to cluster is to attract companies involved in developing advanced materials and/or manufacturing technologies/processes. The park provides high quality accommodation from small scale serviced offices and workshops ranging in size from 33 sq.m to 120 sq.m to much larger design and build opportunities. Overall there is a range of accommodation from research and development space, hybrid office/industrial, test facilities and traditional offices and workshops. The park has attracted occupiers such as Boeing, Hitachi and Rolls Royce.

Typical unit at Advanced Manufacturing Park, Sheffield



Conclusions

- 5.50 Harlow has a large and varied commercial property stock. It is concentrated in well- defined employment areas.
- 5.51 The site visit assessments of the industrial and commercial stock confirm the property market analysis set out in the previous chapter. The industrial stock is performing well. The stock has risen over time contrary to national trends, vacancy rates are low and rental levels are above the regional average.
- 5.52 The office stock by contrast has been declining and there are a number of vacant premises on the market.
- 5.53 Two sites have been granted Enterprise Zone status in order to attract new investment. The London Road Campus to the east of the town is well located with close to a motorway serving major markets.
- 5.54 The other EZ site at Templefields is an existing occupied industrial area albeit with some vacancies in parts of the estate
- 5.55 The third major industrial estate, the Pinnacles, is generally in good condition and well occupied. However there are big employers that are relocating. This leaves large vacant premises that are unlikely to be re-occupied by single users and which may not prove viable to redevelop for smaller units.
- 5.56 The smaller industrial estates seem by and large to be functioning well and meeting local need.
- 5.57 The town centre offices in particular are suffering a lack of demand. The existing buildings do not provide the type of product that occupiers seek and redevelopment for higher quality offices seems unlikely to be viable within the foreseeable future. The town has already seen the conversion of at least one former office block to residential use and this may form the template for reconfiguration of the stock.

6 DEMAND FOR EMPLOYMENT LAND

Approach

- 6.1 In this chapter, we assess the quantitative demand for business space in Harlow for the plan period 2011-31. Forecast change in employment by sector is translated into demand for floorspace, using tested assumptions and evidence on sector to land use mapping and on employment densities. This will provide a quantitative outcome that can be used in determining the amount and type of employment land and floorspace that Harlow should be planning to provide through its LDF.
- 6.2 The forecast outcomes are based on econometric techniques. They are not inevitable and are not the only possible outcomes for Harlow. Forecasts provide a projected outcome under a given set of circumstances and assumptions. These can change or be changed. But their value as a planning tool lies in providing a rigorous framework through which land use decisions can be assessed.
- 6.3 All forecasts will be liable to some degree of uncertainty. Forecasts are based on data and assumptions that are subject to change over time. We try to mitigate this effect by applying some degree of sensitivity tests and also reality checking against past performance.
- 6.4 In the following chapter we develop an alternative scenario based on the results of this reality check and one that builds in some of the policy ambitions set out in Chapter 2.
- 6.5 It is also important to note that the administrative boundary of Harlow is a closely connected part of larger, sub-regional markets. Within these wider markets, occupiers to varying extents do not mind where they locate, and most neither know nor care about local authority boundaries. Whether such footloose occupiers locate in Harlow or a neighbouring District is not a matter of demand. Rather, it depends on supply-side factors, including where planning authorities choose to make sites available.

Floorspace Demand, 2011-2031

- 6.6 The method follows three simple steps, though each of these steps contains a number of technical issues.
 - First we project employment by sector;
 - Employment by sector is then mapped to land use classes of office and industrial;
 - Employment by use class is then converted to floorspace via application of employment density ratios.
- 6.7 Floorspace can then be converted to land requirements by application of plot ratios.
- 6.8 We set out each of these steps below.

Employment Forecasts

- 6.9 The forecast we use for our baseline scenario are those prepared by Oxford Economics for Insight East. These were published in May 2012.

- 6.10 Employment in Harlow is projected to increase by 3,900 over the period 2011-31. This represents a growth rate of 0.4% p.a. which is marginally up on the 0.3% p.a. that Harlow averaged over the previous 20 year period. At 0.4% p.a. Harlow is projected to grow at the national average rate. This is a relative improvement on the past where it grew at 0.3% p.a. compared with 0.5% p.a. for the UK as a whole. It also represents a period of recovery from heavy job losses in the immediately preceding period.
- 6.11 The fastest growing sectors according to the forecast are Business Services which are projected to increase by 1,800 which accounts for nearly half of new growth, whilst Professional services are projected to grow by 600. This would represent a turnaround in performance in the professional services sector where over the preceding period there had been a substantial reduction in employment. Indeed of the nine sectors that are projected to grow by more than 200 jobs, six had suffered losses over the previous 20 year period.
- 6.12 Health and retail are projected to be stable growth sectors going forward, which are sectors largely related to population.

Figure 6.1 Employment Growth Sectors 2011-31

	2011-31	2011-31 % pa	1991-2011 % pa
Business services	1,840	1.5%	3.7%
Health and care	780	0.6%	3.3%
Retail	760	0.7%	0.5%
Professional services	590	1.9%	-3.9%
Construction	490	1.1%	-0.2%
Wholesale	380	0.6%	-0.8%
Arts and entertainment	300	1.6%	-2.1%
Hotels and restaurants	250	0.7%	-0.7%
Employment activities	220	1.5%	-0.5%

Source: EEFM

- 6.13 There are five sectors that are projected to lose more than 200 jobs. All of these are in the manufacturing sector. In some cases these represent continuation of past trends but in sectors such as electronics Harlow had previously grown quite strongly over the preceding period.

Table 6.1 Projected Declining Sectors 2011-31

	2011-31	2011-31 % pa	1991-2011 % pa
Electronics	-554	-2.2%	2.9%
Transport	-443	-2.3%	-4.5%
General Manufacturing	-401	-1.9%	-1.1%
Chemicals	-293	-2.4%	-1.6%
Metals	-244	-2.2%	0.8%

Source: EEFM

- 6.14 The EEFM projections are used for our baseline calculation of employment floorspace, but the above analysis against past trends serves to highlight that what happens locally will not necessarily reflect broader national trends.

Employment by Use Type

- 6.15 To convert the forecasts to employment by use type we identify all those sectors at the SIC 5 digit level that would normally occupy offices, industrial premises or warehouses. Even at this fine grained level there will not be a perfect fit between sectors and use classes as firms may often occupy premises for reasons of availability and costs rather than choosing a property of the appropriate use class. But this sector match does form the best fit based on past experience.
- 6.16 We then calculate the proportion of employment in each of the EEFM's 31 sectors that belongs to activity that would occupy one of the B-class employment categories. These proportions are held constant over the forecast period.
- 6.17 Translating the EEFM forecasts for Harlow into employment use classes produces the following projections as set out in the table below. There is a forecast reduction in manufacturing employment of -1,900 jobs partially offset by growth of around 400 jobs in each of other industrial and warehousing employment. Employment in office sectors is projected to grow by 1,400 jobs. On these projections non B-class sectors are projected to grow by 3,700 jobs, which would account for 94% of all net job growth.

Table 6.2 Employment Projections by Use Type 2011-31

Use Type	Employment Change 2011-31
Manufacturing	-1,950
Other Industrial	400
Warehouses	400
Offices	1,370
Non B Class	3,700

Source: RTP/EEFM

From Employment to Floorspace

Office Floorspace Projections

- 6.18 The projections of employment by use type are converted to floorspace by application of employment density ratios. There is now stronger evidence that the average amount of floorspace per worker is falling as new working practices are adopted. Depending on which ratios we use the forecast would suggest an additional 19,000 – 25,000 sq m of office floorspace are required over the period 2011-31.
- 6.19 This positive demand projection compares with an observed loss of 55,000 sq m of office floorspace over the preceding decade 2001-11.
- 6.20 For offices we believe that floorspace is a better metric to monitor than land. Floorspace can be translated into land by the application of plot ratios but the amount of land required to accommodate office floorspace depends on where it is located. In a district such as

Harlow it could be accommodated on business park type premises in which case the plot ratio would be something like 0.4. If however it was multi-storey town centre offices the ratio would be 1 or higher. The table below sets out a range of land requirements dependent on what sensitivity assumptions are applied with regard to occupational densities and plot ratios.

Table 6.3 Office Floorspace Demand

		Sq m per worker	
		13.8	18
Floorspace sq m		18,927	24,687
Land Ha			
Plot Ratio	0.4	4.7	6.2
Plot Ratio	0.7	2.7	3.5
Plot Ratio	1	1.9	2.5

Source: RTP/EEFM

- 6.21 Thus, simple sensitivity analysis around the EEFM Baseline projections gives a range of between 1.9 ha - 6.2 ha of land that is needed for offices.

Industrial Land Demand

- 6.22 For industrial land we apply a floorspace density ratio of 30 sq m per worker for manufacturing and for other industrial land and use an average of 60 sq m per worker for warehouse land. To the resulting floorspace figure we apply a plot ratio of 0.4 to estimate the net change in industrial land required.
- 6.23 Applying these standard assumptions would imply an overall reduction of around 5.6 ha in demand for industrial land. Within this total there would be a switch from manufacturing uses to warehousing and other industrial uses. A forecast reduction of 2,000 manufacturing jobs implies 14.6 fewer ha of land is needed to accommodate this activity. But part of this land will be reoccupied by other industrial activities such as some forms of construction and by distribution activity which is also projected to grow.

Table 6.4 Industrial Floorspace Demand

		Sqm per worker	Floorspace Sq m	Plot Ratio	Land Ha
Manufacturing	-1,948	30	-58,440	0.4	-14.6
Other Industrial	399	30	11,959	0.4	3.0
Warehousing	404	60	24,250	0.4	6.1

Source: RTP/EEFM

- 6.24 But this projected loss of 22,000 sq m over the 20 year period 2011-31 compares with a past gain of 130,000 sq m of industrial floorspace over the preceding decade.

Sensitivity Test

- 6.25 This positive forecast for office space is at odds both with observed past performance and with current market evidence as discussed in the previous chapter. Both office employment

and office stock have declined in Harlow. In addition some of its larger employers such as GSK have significantly downsized since the latest figures were published.

- 6.26 If viewed from their 2008 peak, the employment projections for Harlow look very different. On this basis employment does not recover its 2008 peak by 2031 and hence there is an overall forecast loss of 400 jobs. The big change is in the forecast for office jobs. Based from a 2008 start point it would imply a reduction of -3,300 office jobs over the period 2008-31.

Table 6.5 Employment Projections by Use Type 2008-31

Use Type	Employment Change 2008-31
Manufacturing	-2,279
Other Industrial	633
Warehousing	491
Office	-3,292
Total B space	-4,448
Non B space	4,046
Total Jobs	-402

Source: RTP/EEFM

- 6.27 The knock on implications in terms of office floorspace and land demand is that this would imply a reduction in office floorspace of between 45,000-59,000 sq m. This is actually the situation that Harlow faces in that it has an excess of office stock and needs to decide if it should re-use, reconfigure, or replace this space.

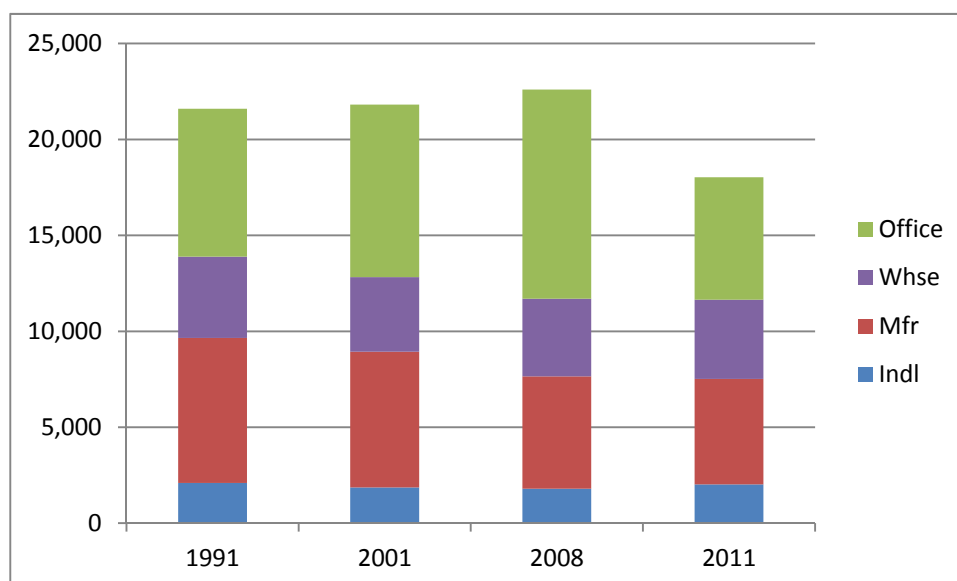
Table 6.6 Office Floorspace Demand 2008 based

		Sq m per worker	
		13.8	18
Floorspace sq m		-45,436	-59,264
Land Ha			
Plot Ratio	0.4	-11.4	-14.8
Plot Ratio	0.7	-6.5	-8.5
Plot Ratio	1	-4.5	-5.9

Source: RTP/EEFM

- 6.28 We have illustrated the change in floorspace requirements based on sector demand by looking at past change. Whilst employment can shrink very rapidly during a recession, property stock does not change as quickly. The loss in office employment between 2008 and 2011 illustrated in the Figure below will result in large quantities of vacant and under-utilised office space that must be absorbed in some way before demand for new stock can be generated.

Figure 6.2: Employment by Use Type 1991-2011



Source: EEFM/RTP

Non B Class Employment

- 6.29 Whilst this study is primarily about B class employment land, it is important to bear in mind the scale of jobs growth that will come from non-B class activities. This employment also requires land and should be considered when looking at overall land use allocations.
- 6.30 At present non B space sectors account for over half of all employment in Harlow. The sectoral forecasts suggest that the majority of future employment growth in Harlow will come from these non-B space sectors.

Net Demand and Gross Take-up

- 6.31 The floorspace figures set out above, like the employment forecasts from which they are derived, relate to net change. Net change in employment (the stock of jobs) is the difference between jobs lost and jobs gained. The corresponding net change in the floorspace stock is the difference between floorspace gained, mostly from new development, and floorspace lost (for example where industrial sites are cleared and redeveloped for housing and other uses).
- 6.32 Net demand should not be confused with gross take-up. For example, even when the aggregate stock of land/premises is declining over time, there will still be new sites and premises being developed and occupied.
- 6.33 There are two stages of employment land that the planning system should allocate. It needs to make available sufficient employment land at any one point of the plan period to enable new development and investment to take place. This can be considered as the frictional element. At any one time there will be land identified in planning terms for B-class development or redevelopment but in practice is not yet capable of producing built floorspace because it is in the process of gaining permission or undergoing site preparation, or under construction. Logically, this 'sterilised' supply equals annual gross take-up (the amount of land developed in any one year) times the number of years required

from allocation of a site to building completion on that site. In calculating the required margin, we assume that the average time required for achieving planning consent, site preparation and construction should be no more than two years in good markets and three years in poor markets or areas in need of regeneration (where this process will take longer). We then multiply this by the annual average gross take-up of land (or completions of new floorspace).

- 6.34 Whilst gross take-up will always be positive the net amount of employment land required over the plan period can be either positive or negative. In either event the important point to recognise is that the planning system has a key role to play in recycling redundant land back into productive use. This may be to meet the needs of modern business activity or perhaps for some other land use such as leisure or residential. Thus to the extent there is surplus or under-utilised employment land identified, then the Council should consider whether there is an alternative more productive land use allocation.

Who Occupies Office and Industrial Space

- 6.35 Whilst we have undertaken the projections on the basis of best fit land use sectors, we also recognise that in reality there is a much greater blurring of activity. Many business services activities can take place in a range of different types of premises. Someone who runs a small service activity may occupy an office, a shop or an industrial unit. Availability and price are likely to be greater determining factors than land use classifications.
- 6.36 This may go some way to explaining the apparent discrepancy in the sectoral and land use projections.

Changing Trends in Floorspace Demand

- 6.37 There are a number of factors that may alter the future demand for commercial floorspace when compared with past pattern.
- 6.38 For offices in particular there is a distinct change in the way in firms occupy their buildings. Fixed seating plans are giving way to more flexible and dynamic working environments. These capitalise on efficiency factors where mobile workers are often not in the office and don't need a personal space. But they also reflect organisational changes with a higher proportion of space being devoted to collaborative working. These changes will have implications both for the amount of space that firms will demand and for the type of space.
- 6.39 Technology has not only driven changes in organisational working practices but also in those workers. The growth of 'future work' will also see more work being done remotely and more "work hubs" specially designed workspaces equipped with the technology to support mobile workers. Instead of being the location where employees gather at fixed times to do concentrated work, the office could become primarily a place for developing and maintaining connections between people.

- 6.40 There has been a rise in both homeworking and the self-employed or freelance workers. This is a global trend in the developed economy of with a recent article highlighting three categories of what it refers to as the independent workforce¹⁴:
- The Reluctant – those who are self-employed because of lack of full-time employment opportunities
 - The Entrepreneurial – self-employed people running businesses with or without employees
 - The ‘Gig Economy’ workforce – in industries such as arts, media and construction which traditionally operate on a project basis.
- 6.41 Self-employed workers currently account for around 15% of the workforce and the proportion has been rising. These categories of workers will by and large not be occupying traditional employment space. Indeed they may not be occupying any commercial space at all or they may be seeking some form of shared space or workhub.
- 6.42 These trends may lead to demand for a new types of space which is neither workplace nor home space but a new place to work

Summary

- 6.43 In this chapter we have set out the baseline projections for office and industrial floorspace for Harlow. The baseline projections are based on the demand implied by the East of England Forecasting Model. These do not represent the only possible or desired outcome for Harlow but they are a useful first step and provide an indication of the broad trends and challenges that the district will face in planning for its economy.
- 6.44 On the basis of the EEFM model Harlow would require the addition of some 19,000-25,000 sqm of office floorspace to cover employment growth over the period 2011-31.
- 6.45 But it is important to note that at the start of the forecast period the office market is not in equilibrium but is carrying significant excess capacity due to recent losses of employment. A calculation based on a 2008 starting point would imply a reduction of 45,000-59,000 sq m of office space.
- 6.46 For industrial land the forecasts imply an overall reduction of around 5.6 ha in demand for industrial land. Within this total there would be a switch from manufacturing uses to warehousing and other industrial uses. However we would note this reduction is in contrast to the strong demand that has been experienced in the past for industrial space in Harlow.
- 6.47 Indeed the property market profile set out in Chapter 4 showing a strong industrial sector and a weak office market is diametrically at odds with the baseline forecasts described here. The EEFM model whilst technically robust has the same weaknesses as all similar econometric models in that it cannot fully capture the characteristics of a local economy. At the very local level it is the performance of individual companies that matters as much as that of sectors. A sector is made up of companies that perform above and below the

¹⁴ The Forgotten Fifth? Erik R.Pages Economic Development Journal Summer 2012

average and it is the spatial distribution of those companies that will determine the local economic outcome.

- 6.48 In addition such models are not good at predicting turning points, where there has been a significant change in in the local economic profile such that past performance is no longer a good predictor of future outcomes.
- 6.49 In the next chapter we will therefore develop an alternative scenario which seeks these to reconcile these contradictions.

7 POLICY SCENARIO

Introduction

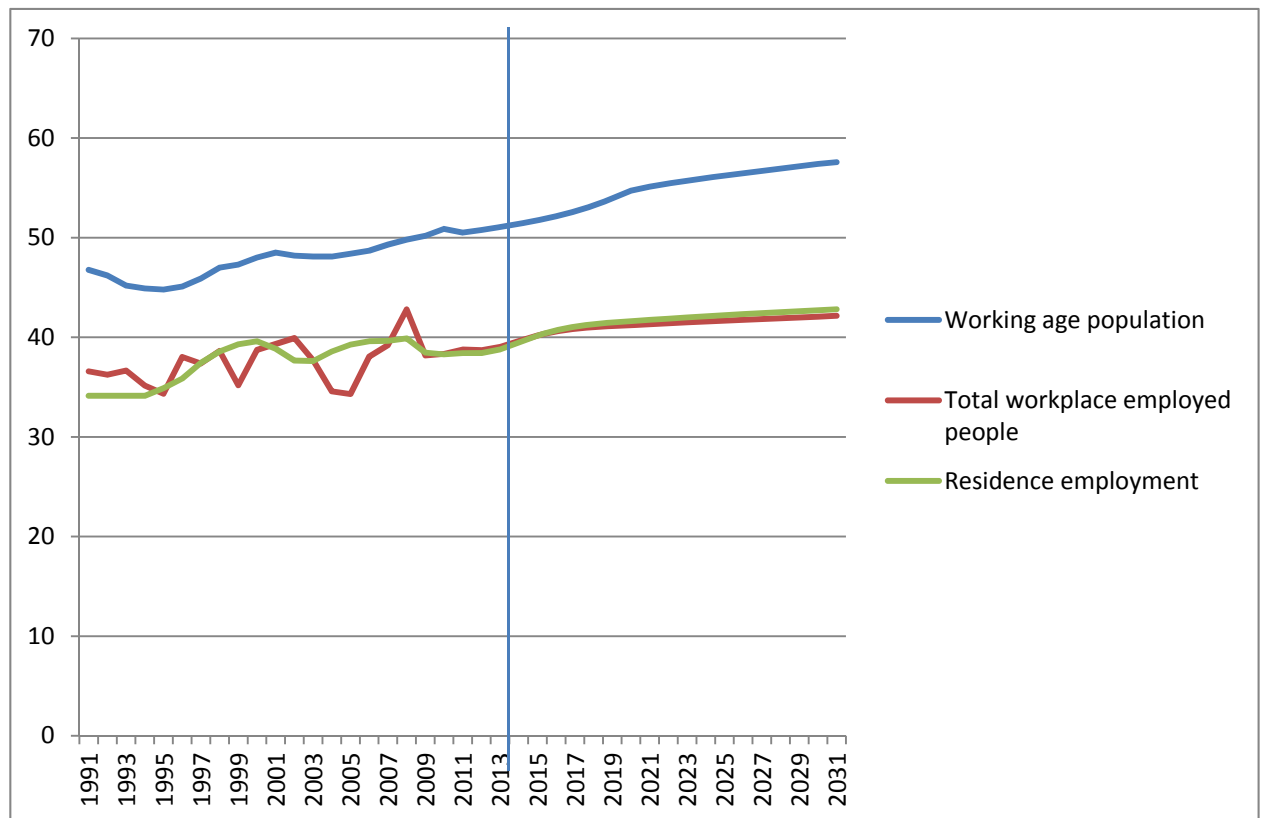
- 7.1 As outlined in the previous chapter forecasts are only a starting point and should be interpreted with care. The standard approach to forecasting demand for employment land in Harlow set out in the previous chapter seems at odds with the property market evidence reviewed earlier.
- 7.2 In this section we first set the employment projections in the context of the corresponding labour market projections. We then present the forecasts in the context of the wider economic outlook for the UK. Finally we construct a policy scenario which attempts to reflect a realistic economic ambition for Harlow.

Labour Market Implications

- 7.3 The figure below shows the past and projected labour market balance for Harlow. Workplace and residence employment have moved broadly in balance¹⁵. Workplace employment data looks more volatile but this is probably more a reflection of the different data sources used for these series. They are projected to grow at a similar rate in the future. The working age population is projected to grow by 7,100 at a rate of 0.7% p.a. over the period 2011-31.
- 7.4 The total number of workplace employed people is projected to increase by 3,400 at a rate of 0.4% p.a. This is higher than the previous 20 year period 1991-2011 when workplace employed people grew by 2,200 at a rate of 0.3% p.a. The residence employment is expected to grow slightly faster than workplace employed growing by 4,400 at a rate of 0.5% p.a.
- 7.5 This suggest a slight shift in the commuting balance with from a small level of net in-commuting to a small level of net out-commuting.

¹⁵ Workplace employment refers to people who work in Harlow, regardless of where they live. Residence employment refers to workers who live in Harlow regardless of where they work.

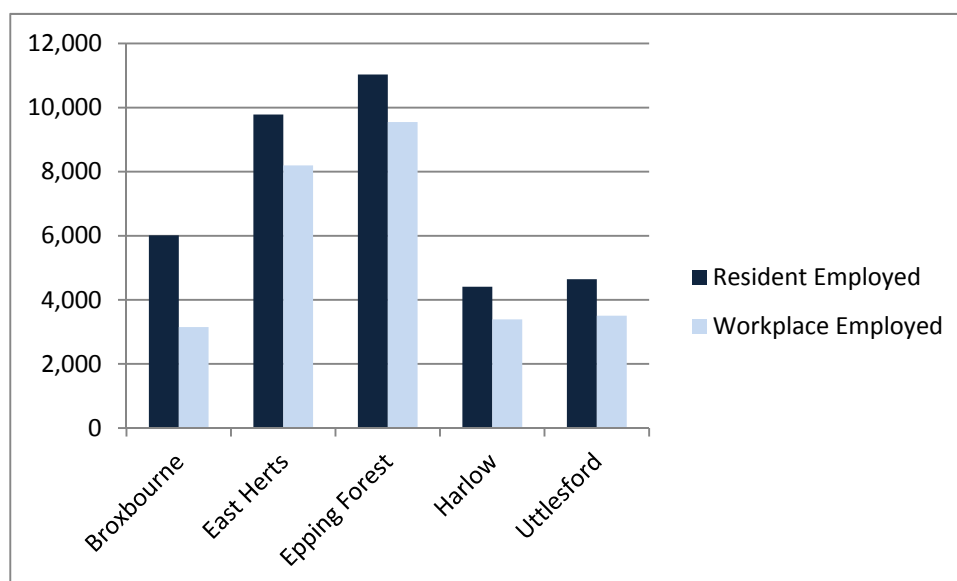
Figure 7.1 Labour Market Balance Harlow ('000s)



Source: Oxford Economics EEFM

- 7.6 What happens or is planned in the surrounding districts will also have implications for Harlow. For each of its neighbouring authorities as for Harlow the projected increase in resident employed exceeds that of workplace employed, the implication being an increase in net out-commuting from the sub-region as a whole.
- 7.7 Thus if Harlow wishes to grow its role in the sub-region and reclaim some of these out-commuters then levels of job growth will need to be higher than those set out in the previous chapter.

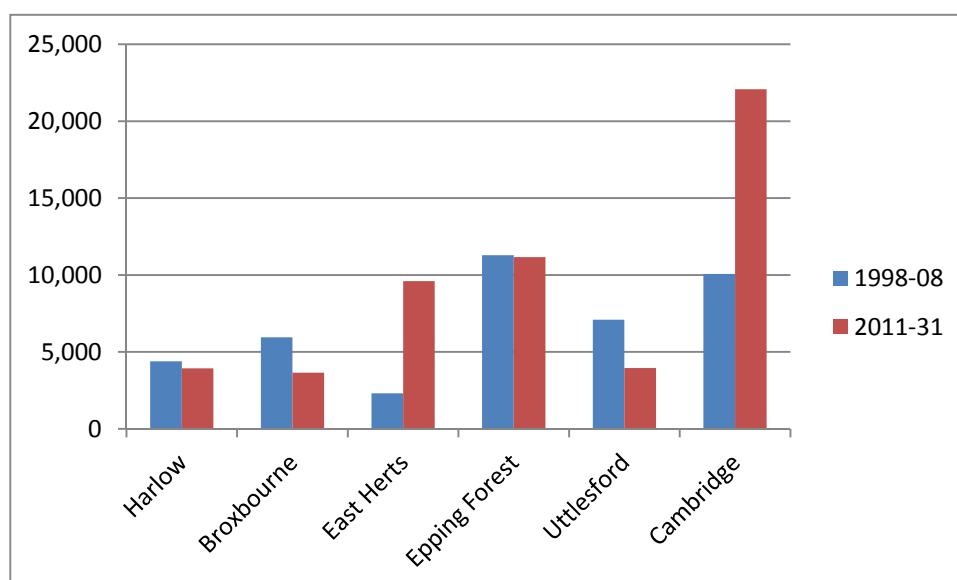
Figure 7.2 Forecast Change in Resident and Workplace Employed 2011-31



Source: EEFM/RTP

- 7.8 Looking at projected change in the wider sub-region Harlow is competing for a much larger pool of jobs. The ten year period 1998-2008 saw growth of 31,000 jobs for the five districts, with projected growth of 32,000 for the twenty year period 2011-31 – i.e. growth overall is projected to be at around half of the rate of the preceding period. But if Cambridge is added to the wider sub-region then there is an additional 22,000 jobs added in to the pool. Growth in Cambridge is projected to remain strong and grow at similar rates to the past.

Figure 7.3 Employment Projections Harlow and sub-Region



Source: EEFM

- 7.9 The comparative share of growth in employment for Harlow and its sub-region is set out in the table below. The sectors in which Harlow is projected to see employment growth of greater than 100 jobs and achieve a higher than average share of sub-regional employment

are: wholesale; retail; hotels and restaurants; R&D; business services; health and care. These are sectors which tend to reinforce Harlow's role as a sub-regional centre.

Table 7.1 Harlow Employment Change as Proportion of Sub-Region

	Harlow		Five Districts		Harlow as %	
Harlow	1998-08	2011-31	1998-08	2011-31	1998-08	2011-31
Agriculture	45	-18	212	-981	21.3%	1.8%
Mining and Quarrying	38	-21	8	-53	450.9%	40.5%
Food Manufacturing	-207	-14	-780	-113	26.5%	12.0%
General Manufacturing	-997	-400	-3,577	-2,110	27.9%	19.0%
Chemicals	-558	-293	-1,740	-733	32.0%	40.0%
Pharma	0	0	-394	-767	0.0%	0.0%
Metals	-64	-244	-1,083	-772	5.9%	31.6%
Transport	-1,225	-442	-1,795	-1,068	68.3%	41.4%
Electronics	-136	-554	-1,449	-1,332	9.4%	41.6%
Utilities	-328	-18	-387	-166	84.7%	10.9%
Waste and remediation	-114	-15	-179	-108	63.5%	14.1%
Construction	246	491	6,912	7,109	3.6%	6.9%
Wholesale	-392	383	205	1,628	-191.6%	23.5%
Retail	473	755	-794	3,512	-59.6%	21.5%
Land Transport	366	74	6,042	771	6.1%	9.6%
Water and air transport	2	0	48	276	4.0%	0.1%
Hotels and restaurants	575	246	2,170	1,812	26.5%	13.6%
Publishing and broadcasting	270	75	414	135	65.2%	55.5%
Telecoms	111	24	-816	80	-13.6%	30.4%
Computer related activity	-75	2	427	15	-17.5%	16.3%
Finance	-382	23	-1,023	163	37.4%	14.2%
Real Estate	132	109	2,131	2,001	6.2%	5.4%
Professional services	3,248	591	5,467	7,337	59.4%	8.1%
R+D	-393	101	-718	360	54.8%	28.1%
Business services	-351	1,836	5,805	8,163	-6.0%	22.5%
Employment activities	26	219	5,432	2,934	0.5%	7.5%
Public Administration	640	-100	970	-618	66.0%	16.1%
Education	409	-56	2,189	-692	18.7%	8.0%
Health and care	2,756	779	5,718	2,344	48.2%	33.2%
Arts and entertainment	25	298	1,837	2,502	1.3%	11.9%
Other services	251	95	-216	662	-116.0%	14.4%
Total	4,387	3,928	31,032	32,292	14.1%	12.2%

Source: EEFM/RTP

- 7.10 London is also projected to have a strong economy going forward with recent forecasts from the GLA projecting growth of 590,000 jobs projected over the period 2011-31 (an increase of 12.3%). London's industrial land market has been squeezed and there is now

very little industrial activity taking place in inner London in particular. Some of this has been relocated to outer London districts such as Enfield, but some has been exported beyond London's borders. Whilst demand for industrial and distribution activity generated by the London economy continues to grow, it is not able to service this demand from within its borders.

Target Sectors

- 7.11 As one of the EZ sites the London Road Campus in particular is targeted at medical technologies and advanced manufacturing, we look briefly at the prospects for these sectors.
- 7.12 The Business Development Opportunities as set out in the Masterplan¹⁶ for the site are described as:
- Provide distinct character areas which provide opportunities for different types of businesses and building typologies.
 - A414 frontage likely to be attractive to medium to large sized firms looking for a high profile, accessible site.
 - Urban Boulevard to provide attractive setting for high-tech companies engaged in Med-Tech, Allied Health industries and ICT.
 - Main Employment Avenue to provide an attractive business park setting for a range of small to medium sized engineering, advanced manufacturing firms targeted by the Enterprise Zone bid.
- 7.13 We set out below the scale and characteristics of these sectors to understand if this is something Harlow can reasonably factor in to its ambitions.

Medical Technologies Sector

- 7.14 According to a BIS research document the UK Life Sciences sector had a turnover in 2011 of £50bn and employed 166,000 people¹⁷. The Life Sciences sector is divided into four components:
- **Pharmaceuticals** with a turnover of £32bn and 75,000 jobs. This sector is defined as "major" pharmaceutical companies, large contract research organisations, companies whose only business activity is the distribution of pharmaceutical products and companies whose only activity is the manufacture of small molecules on a contract basis.
 - **Medical Technology** with a turnover of £15bn and 64,000 jobs. This includes companies whose major business activity involves the development, manufacture, or distribution of medical devices. and companies who have significant activity in supplying

¹⁶ London Road North Masterplan - Enterprize West Essex@Harlow

¹⁷ Strength and Opportunity 2011: The landscape of the medical technology, medical biotechnology, industrial biotechnology and pharmaceutical sectors in the UK. The sector definitions below are drawn from this publication.

specialist services into the sector, including professional services companies supplying the sector.

- **Medical Biotechnology** with a turnover of £3.4bn and 23,000 jobs. The sector covers companies involved in discovering or developing new therapeutics that achieve their principal action in or on the human body by pharmacological, immunological or metabolic means; as well as companies providing specialist services to the sector.
- **Industrial Biotechnology** with a turnover of £379m and 1,280 jobs. The sector contains companies whose main business activity and turnover is derived directly from the development, manufacture and selling of products and services that use or contain biological material as catalysts or feedstock to make industrial products. The technologies include fermentation and biotransformation, as well as downstream processing (product purification and separation); technologies derived from plants; technologies using biomass and non-healthcare analytic.

7.15 Harlow is already represented in this sector albeit at a much reduced level to where it was. It is strategically well located on the Cambridge London axis where much new investment in Life Sciences is being targeted from the £75 million Government investment to expand the existing European Bioinformatics Institute in Cambridge to the £10 million per annum Technology Strategy Board investment in a Cell Therapy Technology and Innovation Centre (TIC) based in London.

7.16 Development of this sector will critically depend on skills. The Skills Action Plan for Growth in UK Life Science¹⁸ identified four priorities:

- Placements
- Skills signals
- Technician training
- A bespoke offer for SMEs

7.17 These are actions that Harlow should encourage locally if it is to position itself to capture growth in these sectors. Developing the right skills base is not a quick fix. It requires a change in both the culture of local residents and of external perceptions.

Advanced Manufacturing

7.18 Advanced Manufacturing is seen as a growth priority nationally as the government seeks to rebalance the UK economy. The sector is seen as having the potential to drive up levels of value-added in the economy, and make a substantial contribution to export growth. According to a recent UKCES report the sector accounted for over half of all UK exports in 2009, and had the fourth highest technology balance of payments of OECD countries. It accounted for 12 per cent of gross value-added (GVA) - at £130bn - and employed approximately 2.6 million people in 2010¹⁹.

¹⁸ Life Sciences Action Plan 2011 - Cogent

¹⁹ Sector Skills Insights: Advanced Manufacturing – UKCES Evidence Report 48 (July 2012)

7.19 Again skills are seen as fundamental to its global competitiveness.

The UK Economic Outlook to 2031

The short to medium run UK economic outlook

7.20 The latest consensus forecasts for medium term growth compiled by HM Treasury (August 2012) are set out in the table below. There has been a scaling back on previous assumptions about when the economy would return trend growth and even now there is a considerable discrepancy in views of different forecasting bodies.

Table 7.2 Medium Term Forecasts for GDP

	Consensus % pa
2010	1.8
2011	0.8
2012	-0.4
2013	1.1
2014	1.9
2015	2.3
2016	2.4

Source: HM Treasury

7.21 This is a less optimistic outlook that at prevailing at the time the EEFM forecast were compiled. The EEFM forecasts saw UK GVA returning to peak 2007 levels by 2013, which will not now happen. Employment nationally has held up better given the poor output figures but much of this is due to switches from full-time jobs to part-time and self-employed. Also the labour market in London has held up much better than the rest of the country.

7.22 Therefore for the region as a whole we do not think that there is an upside scenario to the EEFM forecasts. The question then becomes whether Harlow can capture a greater share of the regional total.

Policy Scenario

7.23 The baseline employment projections from the EEFM seem to reflect neither Harlow's past experience and existing trends, nor its ambitions. This is not surprising as the EEFM is a top-down macro-economic model which does not account for local specificities. We have therefore constructed a policy scenario that we believe better reflects where Harlow wants to be but is also a scenario that is realistically deliverable.

7.24 The parameters that have guided this scenario are as follows:

- Harlow should capture a greater share of regional economic demand for tradable products, primarily defined as the market for the London-Stansted-Cambridge Corridor
- That there is successful development of the Nortel Enterprise Zone site for a new generation of activity focussed around the medical technologies/life science sector.

- That Harlow creates a more attractive town centre offer enabling the district to capture a higher level of sub-regional consumer expenditure in the retail, leisure and cultural sectors.
- That the district succeeds in developing and retaining its skills base, both enabling and requiring a higher level of growth than in the baseline forecasts

- 7.25 None of these outcomes are inevitable nor easy, but they do form a realistic and reasonable set of planning assumptions and reflect what a local authority should be trying to do in planning for economic growth.
- 7.26 As noted in the previous chapter the EEFM projections for Harlow for the period 2011-31 only return the district to where it was at 2008. The planning ambition should be to capture the 4,000 forecast jobs for the period 2011-31, but in addition replace the 4,000 jobs lost over the period 2008-11. This would result in a total of around 51,000 jobs at 2031.
- 7.27 We believe there is strong evidence to support the proposition that the industrial and distribution sector will perform better than suggested by the EEFM forecasts. This is based on the evidence presented earlier, particularly in Chapter 4, of the Harlow industrial property market sector outperforming the national average and being seen as the prime regional industrial location.
- 7.28 Equally we do not think that growth in office employment sectors will be as strong as suggested by the EEFM forecasts. There will be some growth in these sectors from current levels but do not think that the same level of commercial office floorspace will be occupied in Harlow as it was at its peak in 2008.
- 7.29 In terms of the non B space sectors we believe that Harlow should be able to achieve a higher level of growth than suggested by the EEFM forecasts.
- 7.30 We have re-worked the EEFM sectoral projections to better reflect the past performance of sectors in Harlow as well as trend growth projections. These are set out in Figure 7.4 below and put in the context of long term trends. Broadly the level of B class employment has remained fairly flat with a gradual increase in non-B class employment. For Harlow the decrease in manufacturing employment is offset by a corresponding rise in other industrial and distribution employment. Unlike most other locations we do not expect to see a structural shift from industrial to office employment with both maintaining a similar level of employment.

Figure 7.4 Alternative Projections by Use-Type

	1991	2001	2008	2011	2031
Industrial	2,093	1,863	1,799	2,026	2,517
Manufacturing	7,564	7,076	5,849	5,496	5,507
Warehouse	4,229	3,880	4,051	4,121	4,548
Office	7,709	8,993	10,903	6,381	8,539
Total B	21,596	21,813	22,602	18,024	21,111
Non B	18,821	21,721	24,828	25,076	30,038
Total B	40,417	43,534	47,430	43,100	51,149

Source: RTP calculations based on EEFM data

7.31 The implications of these forecasts in terms of employment land policy are:

- A need to allow for churn in the industrial sector – which is happening naturally on many estates and the Templefields EZ is designed to encourage and facilitate
- Some reduction of the current office floorspace – whilst there will a need to encourage some new stock to meet occupier needs there is currently too much office stock in Harlow for which there is no demand. Some of this can be released for alternative use.
- The need to allow development in non B class sectors that will generate employment. This will be a combination of town centre activities, local services and home based businesses.

Summary

7.32 We have developed an alternative policy led forecast for Harlow as the standard approach to forecasting employment land demand neither reflects Harlow's actual property market profile, nor its ambitions as a town.

7.33 In developing this scenario we have been guided by the premise that:

- Harlow captures a greater share of regional demand
- That the EZ successfully capture a new cluster of activity
- That there will be some reduction in the current office stock (though not employment)
- That non B class sectors will provide employment opportunities for Harlow residents.

7.34 The baseline forecast growth for Harlow over the period 2011-31 from the EEFM model would only take Harlow back to where it was in 2008. It is a reasonable planning goal that Harlow should not only grow at a modest rate over this period but should also replace the jobs lost during the recession in addition. We have therefore constructed a scenario where Harlow grows to 51,150 jobs by 2031 representing an increase of nearly 4,000 jobs over its 2008 employment level.

7.35 Harlow can realistically aim to capture a greater share of regional growth due to its sites and strategic location. In particular there will be demand for industrial activity generated from within London and also from Cambridge which will not be accommodated in those locations.

- 7.36 The target sectors identified for the Enterprise Zone and Harlow more generally, namely medical technologies, ICT and advanced manufacturing, are growth sectors nationally and Harlow is recognised as the premier industrial location to the north-east of London. But the market for attracting firms in these sectors is highly competitive. Skills even more than sites are probably the key to unlocking success.

8 CONCLUSIONS

Summary

- 8.1 This report assesses the future demand for and supply of employment floorspace in Harlow and the suitability of existing and proposed employment floorspace to meet that demand.
- 8.2 The policy background for Harlow identifies a town with much economic potential but one facing serious challenges if it is to realise its potential. These challenges include the need to develop its economic base by attracting new investment, developing its local SME sector and generating clusters around growth sectors such as advanced manufacturing, health and allied industries led by medical technology, and ICT.
- 8.3 Infrastructure investment, in particular improved access to the M11, is seen as vital to unlocking key sites, such as the London Road and Templefields EZs, to attract in new investment. In this regard the proposed Junction 7a is a critical factor for the future success of the town.
- 8.4 Harlow needs to continue to regenerate the town centre and to promote its image in order to attract investment. This includes investment in factors such as housing and quality of life to make the area more attractive to people to want to invest live and stay.
- 8.5 But perhaps more fundamentally there is recognition of the need to develop the skills base of the local workforce. There is an identified need to raise aspirations of the local workforce and to train a skilled and flexible workforce to meet employers' needs. The opening of University Centre Harlow in association with Anglia Ruskin University will help with this task but there is still some way to go.
- 8.6 Harlow is a first generation New Town which is in need of regeneration as its infrastructure and some of its housing is reaching the age when renewal is required. Its economy requires further restructuring as it has not kept up with wider changes over recent decades.
- 8.7 Harlow as a workplace has an excellent strategic location and good connectivity for major markets. It lies on the M11 Corridor between London and Cambridge and is the major conurbation close to Stansted Airport. Harlow is the centre of a wider functional economic area centred on the M11. This has led to it being a successful economy with a diverse range of activity. But a combination of the recession and the vastly reduced presence of major occupiers has hit the local economy hard. Its previous task of renewal and regeneration has been upgraded to requiring more fundamental investment and change.
- 8.8 But for the resident workforce the outlook is even more challenging. Whilst not enjoying the same level of economic success during the growth phase pre-recession the local workforce has been hit hard by loss of jobs both for those working in Harlow and those commuting out for employment elsewhere. There is both a short term jobs challenge and a longer term skills challenge facing the workers of Harlow.
- 8.9 In property market terms Harlow is a strong centre for industrial activity. With shortages of industrial accommodation in other regional centres such as Cambridge the prospects for the industrial market in Harlow continue to look good, though, with the exception of the London Road EZ site, the vacant property is currently located to the north and west of the

town which is not likely to be seen as an optimal location for occupiers going forward. However infrastructure improvements to provide enhanced accessibility to the Motorway would be likely to impact positively on market demand. And, whilst Harlow well connected to motorway network, there is a need for local connectivity to improve economic vitality of many of the employment estates

- 8.10 The office market in Harlow by contrast looks weak with declining stock and comparatively low rents. There is also a large volume of available space at locations competing for footloose demand, such as Milton Keynes and to a lesser extent Cambridge and Chelmsford. It is difficult to see what could change the outlook for the office market in Harlow in the medium term.
- 8.11 Looking ahead there are opportunities with the development of the London Road and Templefields Enterprise Zones as the strategic road access to these sites is improved.
- 8.12 There are also potential opportunities through housing led regeneration attracting a higher skilled and better paid resident workforce who will in turn bring greater disposable income to the town.
- 8.13 Employment projections from the East of England Forecasting Model (EEFM) have a baseline forecast growth for Harlow over the period 2011-31 that would only take the district back to the level of jobs that it had in 2008. Neither does this forecast in sectoral terms reflect Harlow's actual property market profile, nor in overall terms its ambitions as a town.
- 8.14 It is a reasonable planning goal that Harlow should not only grow at a modest rate over this period but should also replace the jobs lost during the recession in addition. We have therefore constructed a scenario where Harlow grows to 51,150 jobs by 2031 representing an increase of nearly 4,000 jobs over its 2008 employment level. In developing this scenario we have been guided by the premise that:
 - Harlow captures a greater share of regional demand
 - That the EZ successfully captures a new cluster of activity
 - That there will be some reduction in the current office stock (though not employment)
 - That non B class sectors will provide employment opportunities for Harlow residents.
- 8.15 Harlow can realistically aim to capture a greater share of regional growth due to its sites and strategic location. In particular there will be demand for industrial activity generated from within London and also from Cambridge which will not be accommodated in those locations. The existing employment sites and allocations in Harlow and in particular the London Road EZ sites will be marketed to attract these firms.

Site Based Recommendations

- 8.16 We have set out our conclusions with regard to each of the key employment areas.

London Road EZ Site

- 8.17 This is the key development site for the future of Harlow. It provides an opportunity to address the physical reconfiguration of the commercial property stock towards the east of the town with its improved motorway access.

- 8.18 The ambitions stated in the EZ prospectus are for higher value uses. In particular medical technologies and advanced manufacturing, and there is probably sufficient demand from companies in these sectors looking to locate in the Greater South East area as a whole to attract such occupiers. The Anglia Ruskin MedTech Campus proposal cites an independent evaluation which concluded that the development venture is feasible and could accommodate up to 160,000 sq m of floorspace for MedTech and ancillary businesses. But there is no guarantee that they will come. The general EZ incentives are not of sufficient scale to attract investors in their own right though they may tip the scales if the site is already under consideration.
- 8.19 The best approach is to concentrate on de-risking the site as much as possible in order to make it attractive to potential developers and occupiers. This will include ensuring that a high level masterplan is in place, and that the utilities, services and transport infrastructure are of sufficient quality and robustness to meet the demand placed on them by the masterplan. This process is well underway with the Masterplan in place and funding from the Growing Places Fund secured to forward funding major highways improvements on the A414 which are critical to unblocking road infrastructure constraints, helping to kick start development on the ground.
- 8.20 In terms of the sector strategy there is clearly some potential for the medical technologies and advanced manufacturing sectors. We think that it is a legitimate strategy to target this market but we would add two caveats:
- It should be applied flexibly. If other good opportunities present themselves then they should be taken up;
 - It should be time limited. If the strategy is not reaching its target market after, say, five years the approach should be re-addressed.
- 8.21 The site is likely to be attractive for distribution uses especially if there is improved road access to the motorway.

Templefields EZ Site

- 8.22 The Local Development Order for Templefields is not yet in place. Even with another access route in to the north of the site, Templefields would not have good strategic motorway access, unless or until Junction 7a is put in. This would imply a more localised demand for the premises, though given that Harlow is already established as a primary industrial location for the region this still provides substantial growth opportunities.
- 8.23 It also suggests a lower proportion of logistics/distribution activity and a profile more geared towards production activity.
- 8.24 It should hopefully provide sufficient impetus to help maintain churn within the existing industrial sector. Whilst in net terms it will probably add little to the overall stock of industrial floorspace or employment it should help to maintain existing levels whilst renewing the stock.

Templefields Edinburgh Way

- 8.25 The remaining part of the Templefields Estate appears to be functioning well and should be retained in employment use with little further action required at this stage.

Pinnacles

- 8.26 Pinnacles as an estate has a good range of occupiers and good quality of stock. There is little immediate action required although the performance of the estate should be monitored as over time it may become less attractive if the EZ site at London Road is successful.
- 8.27 Whilst policy should not actively seek to lose employment land from the estate there is the issue of how to respond if large employers move out leaving large quantities of vacant floorspace.

GSK Site

- 8.28 Within the Pinnacles the under-utilised GSK facility represents a special case worthy of its own attention. There are a number of potential outcomes we can see for this facility, though none have the combination of high probability and positive outcome:
- It could be re-used by an existing pharma company, which would be positive for the town but is of very low probability. There are other similar facilities which have been released through reasons of global company restructuring.
 - The facilities could be used for training, education and R&D purposes building on the recently announced medical research centre. Again this would be a positive outcome but it is difficult to see where the funding would come from.
 - The units could be redeveloped for smaller commercial units of the type that have proven successful elsewhere on the Pinnacles. This would also be a positive outcome but in the current market we are not sure of the viability of such a scheme.
 - The site could be redeveloped for an alternative use, most likely residential, but this would produce an isolated residential development which would probably not be acceptable in wider strategic planning terms
- 8.29 The site therefore presents a great challenge to which the most appropriate solution may be to do nothing for the present time and concentrate on the other employment locations.

The Station Office Quarter

- 8.30 A small office quarter has developed around the station. The properties are of good quality and are likely to benefit from their proximity to the station with good connections and short journey times to Liverpool Street and Stansted. This should be retained as an office location.
- 8.31 Whilst we do not see Harlow as a candidate for major office growth we would suggest that this is the best location to try to capture any demand and there may be potential for land to be assembled for a single occupier office building at some stage in the future. The potential for this could be further explored.

Burnt Mill

- 8.32 Burnt Mill is functioning very well as an employment site providing a range of employment activities. It should be retained as an employment site and in the longer term there may be potential to build synergies with future development in the Station Quarter.

Town Centre Offices

- 8.33 The town centre office stock by contrast seems tired and dated. There are high levels of vacancy and what remains is under-utilised.
- 8.34 Whilst not seeking to drive out existing occupiers we would recommend that the Council does not resist conversion of these town centre office building to residential or another alternative use as they become vacant. This should not be viewed as a negative retreat from employment but rather as a mechanism to stimulate town centre regeneration. Residential development will bring additional consumer expenditure into the town centre as well.
- 8.35 Typically a scheme of around 500 dwellings might generate around £11.5m in total annual household expenditure. After allowing for leakage and displacement this could be expected to support in the region of 60 jobs net additional in the town centre.

Building the Town Centre offer

- 8.36 As noted in both the existing employment profile of Harlow and in the forecast a high proportion of employment comes in non-B class sectors such as retail, leisure and culture.
- 8.37 In the short term in Harlow, as in many other towns, large-scale redevelopment schemes that have been prepared have not been taken forward. The approach should therefore be to focus on smaller scale more deliverable projects in order to get things moving and provide some investor confidence to work towards the longer terms regeneration aspirations.
- 8.38 In the very short term Harlow, like a number of local authorities, is looking at the concept of 'meanwhile uses' to take advantage of the temporary use of vacant buildings to maintain vibrancy, improve visual attractiveness and attract visitors and investors.

Neighbourhood Employment Areas

- 8.39 The other employment areas in Harlow appear to be functioning on a range of adequately to well. In our view these should all be maintained in employment use.
- 8.40 For Staple Tye in particular a longer term strategy might seek to relocate some of the least environmental attractive bad neighbour uses to other more suitable employment locations in Harlow.

APPENDIX 1

Glossary of Terms

Term	Definition
Annual Business Inquiry (ABI)	An employer survey of the number of jobs held by employees broken down by sex, full/part-time and detailed industry (4 digit SIC). This series ceased in 2008
Annual Survey of Hours and Earnings (ASHE)	Survey of data on earnings published annually by the Office for National Statistics
Business Class Floorspace	Commercial floorspace classified by the Land Use Order as falling within B1 Business; B2 General Industry; or B8 Storage and Distribution.
Business Register and Employment Survey (BRES)	An employer survey of the number of jobs held by employees broken down by full/part-time and detailed industry (5 digit SIC2007). The survey records a job at the location of an employees workplace. This survey superseded the ABI.
East of England Forecasting Model (EEFM)	An economic forecasting model produced by Oxford Economics on behalf of Insight East. It contains forecast of output and employment by sector.
Employment Land Review (ELR)	The role of employment land reviews (ELR) is to provide sound evidence to inform local planning authorities in planning for employment land uses by auditing existing employment land and premises supply in the context of future demand.
Employment Density Ratio	Measure of the average amount of floorspace occupied by a worker. Calculated as total floorspace divided by number of workers.
Enterprise Zone (EZ)	Enterprise Zones are specific areas where a combination of financial incentives reduced planning restrictions and other support is used to encourage the creation of new businesses and jobs – and contribute to the growth of the local and national economies.
Gross Value Added (GVA)	A measure of the value of goods and services produced in an area, industry or sector of an economy. In national accounts GVA is output minus intermediate consumption.
Location Quotient (LQ)	This is a measure of relative representation. An LQ of greater than 1 means the sector is relatively over-represented locally compared to the national average. An LQ of less than 1 means it is relatively under-represented.
National Planning Policy Framework (NPPF)	The National Planning Policy Framework was published by the UK's Department of Communities and Local Government in March 2012, consolidating over two-dozen previously issued documents called Planning Policy Statements (PPS) and Planning Policy Guidance Notes (PPG) for use in England.

Office for National Statistics (ONS)	The Office for National Statistics is the executive office of the UK Statistics Authority. UK National Statistics. It publishes a range of government statistical data sources.
Plot Ratio	The ratio of floorspace to land. A development of 10,000 sq m per on one hectare would give a plot ratio of 1.
Resident Employment	Employment located in a defined area, such as a local authority, regardless of where people live.
Travel to Work Area (ttwa)	A travel to work area reflects and area in people both lives and work. The UK is categorised into a series of non-overlapping travel to work areas in which at least 75% of the people who work in the area also live within those boundaries
Valuation Office Agency (VOA)	Government Agency which publishes statistics on commercial floorspace
Workplace Employment	Employment located in a defined area, such as a local authority, regardless of where people live.

APPENDIX 2

Site Assessments

Harlow Site Assessment Template

Record	Site reference	1. Town Centre Offices							
	Location/address	Multiple office buildings within Harlow town centre which includes buildings such as : Market House, Market Square; Mitre Building, Kitson Way; Terminus House, Terminus Street; Gatehouse Building, Westgate; and offices around Southgate and Crowngate.							
	Premises type	Grade A	High St	Managed	Marginal	Hybrid	Shed	Informal	%
Location	Situation	The offices are located within or around the main shopping area of Harlow town centre. The buildings benefit from being centrally located with good public transport access. Key occupiers to the buildings are the public sector.						Describe	
	Vehicle access	A typical restricted town centre. Front door of buildings primarily via foot only.						Describe	
	Public transport	Town centre bus station 5 mins walk from site. Bus station provides easy access to the train station.						Bus/tube	
Site	Operational constraints	Terminus House, although provides a prominent position within the town centre the building's main entrance is accessed via the second floor of a multi-storey car park which is not common practice. Generally no on-site car parking but this is common for town centre offices.						Describe	
	Car parking & servicing	Good	Average	Poor				Comments	
	Environment	Good	Average	Poor				Comments	
	Redevelopment potential	Good	Average	Poor				Comments	
Buildings	Age	Pre-war	50s-60s	70s-80s	80s-90s	Post 00	%		
	Quality of care	High	Medium	Low				Comments	
	Marketability	High	Medium	Low				Comments	
		High	Medium	Low				Comments	
Occupation	Main activities	NHS Walk in centre, Essex County Council, Harlow PCT, Solicitors, Construction Industry Training Board (CITB)						Describe	
	Neighbourliness	High	Medium	Low				Comments	
	Vacancy	High	Medium	Low				Comments	
Overall	Overall rating for:	Grade A	High St	Managed	Marginal	Hybrid	Shed	Informal	Score
	Location				+1				-1 = poor
	Site				+1				0 = fair
	Buildings				0				+1
	Occupation				0				
	Other comments	Town centre offices provide an important function but occupation is dominated by public sector bodies. Terminus House represents the biggest risk due to the buildings configuration with the car park and the relatively high vacancies.							

Harlow Site Assessment Template

Record	Site reference	2. Station Road Offices							
	Location/address	Field House & Goodman House, Station Approach Harlow town centre (near train station)							
	Premises type	Grade A	High St	Managed	Marginal	Hybrid	Shed	Informal	%
Location	Situation	Located to the northern edge of the town centre in close proximity to the train station and Burnt Mill Industrial area.						Describe	
	Vehicle access	Good access from A414 Edinburgh Way which in turn links to the motorway and town centre.						Describe	
	Public transport	5 min walk from train station. Train station has bus stop which provides links to the town centre and wider suburbs of Harlow.						Bus/tube	
Site	Operational constraints	The buildings sit on large self contained sites with no obvious operational constraints.						Describe	
	Car parking & servicing	Good	Average	Poor				Comments	
		X						Large on site car parking within a self contained site	
	Environment	Good	Average	Poor				Comments	
		X						Well maintained environment providing good links to services.	
Redevelopment potential	Good	Average	Poor				Comments		
		X						Good size site self contained site with good frontage to Edinburgh Way	
Buildings	Age	Pre-war	50s-60s	70s-80s	80s-90s	Post 00	%		
	Quality of care	High	Medium	Low				Comments	
		X						The buildings have been well maintained	
Marketability	High	Medium	Low				Comments		
	X						Good quality scheme, probably some of the best quality in Harlow. 4 storey buildings that can be subdivided so is able to offer a range of sized suites.		
Occupation	Main activities	Office base users. Tenants include: TEVA (pharmaceutical) , Derrick Wade Waters (surveyors), and ETDE (infrastructure company)						Describe	
	Neighbourliness	High	Medium	Low				Comments	
		X						Good neighbour uses	
Vacancy	High	Medium	Low				Comments		
				X				Buildings multi-tenanted and well occupied with only final suite unde	
Overall	Overall rating for:	Grade A	High St	Managed	Marginal	Hybrid	Shed	Informal	Score
	Location				+1				-1 = poor
	Site				+1				0 = fair
	Buildings				+1				+1
	Occupation				+1				
	Other comments	Well occupied office buildings. The space is flexible so both small and large suites can be offered. The buildings are well located for the train station and the local road network so appealing to local, regional and national companies.							

Harlow Site Assessment Template

Record	Site reference	3 Burnt Mill							
	Location/address	Burnt Mill located off Elizabeth Way. Towards the north of Harlow Town Centre							
	Premises type	Office	High St	Managed	Marginal	Hybrid	Shed	Informal	%
Location	Situation	Burnt Mill is a small industrial estate located towards the north of the town centre. The estate offers a range of industrial and warehouse units. The core of the estate 1960s/70s stock and newer units to the western boundary. Range of occupiers include vehicle repair, <u>trade counter and manufacturing.</u>						Describe	
	Vehicle access	Good vehicle access from Elizabeth Way. Provides good access into the town centre and out to the motorway.						Describe	
	Public transport	Good public transport access. Bus can be accessed from Elizabeth Way. The train station is approx. 10 min walk						Bus/tube	
Site	Operational constraints	Poor on-site amenities (just a catering van). Nearest facilities by train station.						Describe	
	Car parking & servicing	Good	Average	Poor	Comments Average for age of estate. Small service yards has led to some parking on the estate road. Situation is made worse as a number of business are related to the motor trade which increases number of vehicles to the area				
	Environment	Good	Average	Poor	Comments Average industrial estate for its age				
	Redevelopment potential	Good	Average	Poor	Comments A large part of the southern end of the estate is a continuous terrace on quite a narrow site so limited opportunity to offer anything different here. The northern part of the estate offer larger sites in single ownership therefore offering greater scope for redevelopment				
Buildings	Age	Pre-war	50s-60s	70s-80s	80s-90s	Post 00	%		
	Quality of care	High	Medium	Low	Comments The newer units to the west of the estate are better maintained. The southern terrace is starting to show signs of tiredness. Along with a number of the large sites to the north.				
	Marketability	High	Medium	Low	Comments The estate offers a large number of small units which appear mostly occupied and suit local companies. However, these units have small service yards which are not secure. The larger units are on a secure site which appeal to occupiers. The age of some of these units may deter occupiers, however, they provide a cost effective solution compared to modern units as evidenced through lack of vacancies. Due to the configuration of the larger units these may not suit modern occupiers needs which may require these to be redeveloped over the medium to long term				
Occupation	Main activities	Car, HGV and bus maintenance, trade counter, manufacturing, distribution						Describe	
	Neighbourliness	High	Medium	Low	Comments A number of bad neighbour uses in the form of HGV and bus repair				
	Vacancy	High	Medium	Low	Comments Majority of units are occupied except for two small units (1,700 sq ft and 2,600 sq ft) out of 27 are vacant.				
Overall	Overall rating for:	Office	High St	Managed	Marginal	Hybrid	Shed	Informal	Score
	Location						+1	0	-1 = poor
	Site						+1	0	0 = fair

Overall	Buildings						0	0	+1 = good
	Occupation						+1	0	
	Other comments	Small industrial estate functions well, small units very attractive to local businesses and over the medium to longer term the larger self contained sites present redevelopment opportunities.							

Harlow Site Assessment Template

Record	Site reference	4. Bush Fair														
	Location/address	Bush Fair, The Fairway, Harlow														
	Premises type	<table border="1" style="display: inline-table; border-collapse: collapse;"> <tr> <th>Grade A</th> <th>High St</th> <th>Managed</th> <th>Marginal</th> <th>Hybrid</th> <th>Shed</th> <th>Informal</th> </tr> <tr> <td style="background-color: #f2f2f2;"></td> <td></td> <td></td> <td></td> <td></td> <td style="background-color: #333; color: white;"></td> <td style="background-color: #ccc;"></td> </tr> </table>	Grade A	High St	Managed	Marginal		Hybrid	Shed	Informal						
Grade A	High St	Managed	Marginal	Hybrid	Shed	Informal										
Location	Situation	Bush Fair is located to the south east of Harlow town centre. The main spine of the estate runs along The Fairway. The area is a small industrial estate within a predominately residential area. The estate has a continuous terrace of small industrial units along it's eastern boundary . With a number of slightly larger units on the opposite side. The main occupiers are Luminescence (printing suppliers), A1 Bacon and Unique Windows.					Describe									
	Vehicle access	Despite a number of tight residential streets, there is good vehicular access from the south via A1169 Southern Way, this in turns leads onto A414 and then onto Junction 7 M11					Describe									
	Public transport	Good public transport access with bus routes running near the estate					Bus/tube									
Site	Operational constraints	Located within heavily built up residential area, which is not ideal for industrial type uses.					Describe									
	Car parking & servicing	<table border="1" style="display: inline-table; border-collapse: collapse;"> <tr> <th>Good</th> <th>Average</th> <th>Poor</th> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">x</td> </tr> </table>	Good	Average	Poor			x	Comments Relatively small narrow estate road with small service yards on the industrial units. Car parking and service delivery then over spills onto estate road.							
		Good	Average	Poor												
			x													
	Environment	<table border="1" style="display: inline-table; border-collapse: collapse;"> <tr> <th>Good</th> <th>Average</th> <th>Poor</th> </tr> <tr> <td></td> <td style="text-align: center;">x</td> <td></td> </tr> </table>	Good	Average	Poor		x		Comments The quality of the environment is acceptable for the age of the estate for light industrial uses. Although not ideal for office use. There are a number of amenities is close walking proximity to the estate.							
Good		Average	Poor													
	x															
Redevelopment potential	<table border="1" style="display: inline-table; border-collapse: collapse;"> <tr> <th>Good</th> <th>Average</th> <th>Poor</th> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">x</td> </tr> </table>	Good	Average	Poor			x	Comments The majority of the buildings are on small narrow sites therefore any comprehensive redevelopment could involve a number of separate land owners. The problem is further compounded by the juxtaposition with residential.								
Good	Average	Poor														
		x														
Buildings	Age	<table border="1" style="display: inline-table; border-collapse: collapse;"> <tr> <th>Pre-war</th> <th>50s-60s</th> <th>70s-80s</th> <th>80s-90s</th> <th>Post 00</th> </tr> <tr> <td></td> <td></td> <td style="background-color: #ccc;"></td> <td></td> <td></td> </tr> </table>	Pre-war	50s-60s	70s-80s	80s-90s	Post 00									%
	Pre-war	50s-60s	70s-80s	80s-90s	Post 00											
	Quality of care	<table border="1" style="display: inline-table; border-collapse: collapse;"> <tr> <th>High</th> <th>Medium</th> <th>Low</th> </tr> <tr> <td></td> <td style="text-align: center;">x</td> <td></td> </tr> </table>	High	Medium	Low		x		Comments The general quality of the buildings is acceptable given the age of the estate.							
High		Medium	Low													
	x															
Marketability	<table border="1" style="display: inline-table; border-collapse: collapse;"> <tr> <th>High</th> <th>Medium</th> <th>Low</th> </tr> <tr> <td style="text-align: center;">x</td> <td></td> <td></td> </tr> </table>	High	Medium	Low	x			Comments Despite the obvious restriction of operating from the estate. It's range of unit sizes combined with access to the town centre and motorway means it is well occupied and is attractive to tenants.								
High	Medium	Low														
x																
Occupation	Main activities	manufacturing, food processing, car repair and training school					Describe									
	Neighbourliness	<table border="1" style="display: inline-table; border-collapse: collapse;"> <tr> <th>High</th> <th>Medium</th> <th>Low</th> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">x</td> </tr> </table>	High	Medium	Low			x	Comments Given the industrial nature of the estate there a number of bad neighbour uses.							
	High	Medium	Low													
		x														
Vacancy	<table border="1" style="display: inline-table; border-collapse: collapse;"> <tr> <th>High</th> <th>Medium</th> <th>Low</th> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">x</td> </tr> </table>	High	Medium	Low			x	Comments There is zero vacancies on the industrial units and just a small office suite of 3,232 sq. ft office building for sale/to let.								
High	Medium	Low														
		x														

Overall	Overall rating for:	Grade A	High St	Managed	Marginal	Hybrid	Shed	Informal	Score
	Location					-1	+1		-1 = poor
	Site					-1	0		0 = fair
	Buildings					0	0		+1 = good
	Occupation					-1	+1		
	Other comments	The area is a successful industrial location providing affordable accommodation ideal for local companies. Despite the physical constraints of the site it functions well, especially for the local market.							

Harlow Site Assessment Template

Record	Site reference	5. Staple Tye							
	Location/address	Staple Tye, Perry Road, Harlow							
	Premises type	Office	High St	Managed	Marginal	Hybrid	Shed	Informal	%
Location	Situation	Staple Tye is a small light industrial estate situated in a residential area in adjacent to Stewards Secondary School. Staple Tye is located to the south Harlow town centre.						Describe	
	Vehicle access	Vehicle access is provided to the north of the estate via the A1169 Southern Way. This in turn links the area to the town centre and the motorway network.						Describe	
	Public transport	Good bus access provided along Southern Way.						Bus/tube	
Site	Operational constraints	The main site constraints is the service road leading through the estate and the proximity to the residential area. The service road is quite narrow to service HGV, especially with the service road being used for car parking.						Describe	
	Car parking & servicing	Good	Average	Poor				Comments On the larger sites the car parking and service provision is good. However, a number of users i.e. vehicle repair and car dealer has resulted in car parking on service roads which compounds the issue of a tight service road for HGV access.	
	Environment	Good	Average	Poor					
	Redevelopment potential	Good	Average	Poor					
Buildings	Age	Pre-war	50s-60s	70s-80s	80s-90s	Post 00		%	
	Quality of care	High	Medium	Low				Comments The general quality of the buildings on-site appear reasonable for the age of buildings.	
	Marketability	High	Medium	Low					
Occupation	Main activities	Car repair, car dealer, manufacturing and trade counter.						Describe	
	Neighbourliness	High	Medium	Low				Comments Manufacturing and car repair bad neighbour uses.	
	Vacancy	High	Medium	Low					
Overall	Overall rating for:	Office	High St	Managed	Marginal	Hybrid	Shed	Informal	Score
	Location					0	0		-1 = poor
	Site					0	0		0 = fair
	Buildings					0	0		+1 = good
	Occupation					0	0		
		On current inspection the estate appears to performing adequately. However, a number of buildings will over time							

	Other comments	due to their age deteriorate and the scope for redevelopment may be limited unless replacing like for like which will limit the marketability.
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Harlow Site Assessment Template

Record	Site reference	6. Nortel							
	Location/address	Nortel, London, Harlow							
	Premises type	Grade A	High St	Managed	Marginal	Hybrid	Shed	Informal	%
Location	Situation	The Nortel site is situated along the eastern boundary of the town . The site comprises the Nortel communication laboratory .						Describe	
	Vehicle access	The site is located on London Road, this provides access onto Church Langley Way, which in turn links to the A414.						Describe	
	Public transport	Although positioned on the edge of the town there is a bus route along London Road and Church Langley Way.						Bus/tube	
Site	Operational constraints	There are no obvious operational constraints and the site is self-contained and benefits from large on-site car parking and service area.						Describe	
	Car parking & servicing	Good	Average	Poor				Comments	
	Environment	Good	Average	Poor				Comments	
	Redevelopment potential	Good	Average	Poor				Comments	
Buildings	Age	Pre-war	50s-60s	70s-80s	80s-90s	Post 00		%	
	Quality of care	High	Medium	Low				Comments	
	Marketability	High	Medium	Low				Comments	
Occupation	Main activities	Laboratory						Describe	
	Neighbourliness	High	Medium	Low				Comments	
	Vacancy	High	Medium	Low				Comments	
Overall	Overall rating for:	Grade A	High St	Managed	Marginal	Hybrid	Shed	Informal	Score
	Location					+1			-1 = poor
	Site					+1			0 = fair
	Buildings					+1			+1 = good
	Occupation					-1			
	Other comments	Site provides an excellent redevelopment opportunity. The current use of the buildings only provides for specialist market which limited attractiveness. Potential scope to create new light industrial units.							

Harlow Site Assessment Template

Record	Site reference	7. Edinburgh Way														
	Location/address	Edinburgh Way Industrial area, Harlow														
	Premises type	<table border="1" style="display: inline-table; border-collapse: collapse;"> <tr> <th style="padding: 2px;">Grade A</th> <th style="padding: 2px;">High St</th> <th style="padding: 2px;">Managed</th> <th style="padding: 2px;">Marginal</th> <th style="padding: 2px;">Hybrid</th> <th style="padding: 2px;">Shed</th> <th style="padding: 2px;">Informal</th> </tr> <tr> <td style="height: 15px;"></td> <td></td> <td></td> <td></td> <td></td> <td style="background-color: black;"></td> <td></td> </tr> </table>	Grade A	High St	Managed	Marginal		Hybrid	Shed	Informal						
Grade A	High St	Managed	Marginal	Hybrid	Shed	Informal										
Location	Situation	Edinburgh Way is located to the north east of the Harlow. Edinburgh way is a main arterial route through Harlow. The industrial estate mainly comprises 1950s/60s industrial and warehouse accommodation of mixed sizes with both local and national occupiers. The industrial estate is well serviced by the nearby Queensgate shopping centre. There is a small office park Astra Centre, on the western fringe of the industrial area, and Peartree Business centre on South Road. The industrial area has expanded further west in recent years with Dukes Park.					Describe									
	Vehicle access	Direct access onto Edinburgh Way. Provides good access into the town centre and out to the motorway.					Describe									
	Public transport	Good public transport access. Bus can be accessed from Edinburgh Way.					Bus/tube									
	Operational constraints	Generally no obvious constraints, except for some small service yards on the smaller units					Describe									
Site	Car parking & servicing	<table border="1" style="display: inline-table; border-collapse: collapse;"> <tr> <th style="padding: 2px;">Good</th> <th style="padding: 2px;">Average</th> <th style="padding: 2px;">Poor</th> </tr> <tr> <td style="text-align: center; height: 30px;">x</td> <td></td> <td></td> </tr> </table>	Good	Average	Poor	x			<div style="border: 1px solid black; padding: 2px;"> Comments Majority of the units have good on-site provision. The larger units have secure large service yards. The newer units have a shared secure yard which is attractive to tenants. </div>							
	Good	Average	Poor													
	x															
	Environment	<table border="1" style="display: inline-table; border-collapse: collapse;"> <tr> <th style="padding: 2px;">Good</th> <th style="padding: 2px;">Average</th> <th style="padding: 2px;">Poor</th> </tr> <tr> <td style="text-align: center; height: 30px;">x</td> <td></td> <td></td> </tr> </table>	Good	Average	Poor	x			<div style="border: 1px solid black; padding: 2px;"> Comments The general environment is good, units generally well maintained and with the integration of new units is helping to maintain the vitality of the estate. </div>							
Good	Average	Poor														
x																
Redevelopment potential	<table border="1" style="display: inline-table; border-collapse: collapse;"> <tr> <th style="padding: 2px;">Good</th> <th style="padding: 2px;">Average</th> <th style="padding: 2px;">Poor</th> </tr> <tr> <td style="text-align: center; height: 30px;">x</td> <td></td> <td></td> </tr> </table>	Good	Average	Poor	x			<div style="border: 1px solid black; padding: 2px;"> Comments The large units/sites provide excellent scope for redevelopment, however limited scope for the small dated units unless they come forward as a comprehensive development. </div>								
Good	Average	Poor														
x																
Buildings	Age	<table border="1" style="display: inline-table; border-collapse: collapse;"> <tr> <th style="padding: 2px;">Pre-war</th> <th style="padding: 2px;">50s-60s</th> <th style="padding: 2px;">70s-80s</th> <th style="padding: 2px;">80s-90s</th> <th style="padding: 2px;">Post 00</th> </tr> <tr> <td></td> <td style="background-color: black;"></td> <td></td> <td></td> <td></td> </tr> </table>	Pre-war	50s-60s	70s-80s	80s-90s	Post 00						%			
	Pre-war	50s-60s	70s-80s	80s-90s	Post 00											
	Quality of care	<table border="1" style="display: inline-table; border-collapse: collapse;"> <tr> <th style="padding: 2px;">High</th> <th style="padding: 2px;">Medium</th> <th style="padding: 2px;">Low</th> </tr> <tr> <td style="text-align: center; height: 30px;">x</td> <td></td> <td></td> </tr> </table>	High	Medium	Low	x			<div style="border: 1px solid black; padding: 2px;"> Comments The vast majority of the units and external environment have been well maintained. The environment to the rear of Oakwood Industrial Estate, off South Road, is poor for these small units. However, this is a small pocket. There is some estate renewal occurring through the development along West Place which is helping improve the area. </div>							
High	Medium	Low														
x																
Marketability	<table border="1" style="display: inline-table; border-collapse: collapse;"> <tr> <th style="padding: 2px;">High</th> <th style="padding: 2px;">Medium</th> <th style="padding: 2px;">Low</th> </tr> <tr> <td style="text-align: center; height: 30px;">x</td> <td></td> <td></td> </tr> </table>	High	Medium	Low	x			<div style="border: 1px solid black; padding: 2px;"> Comments The industrial estate is slowly involving to meet modern occupier needs as evidenced through West Place. The smaller units to the rear of the estate are attractive to local companies. There are a number of large units currently occupied such as Ideas Group (which are operating on a split site) and European Water Care Group should these these be vacated there is a risk, given the age of units, that they may not appeal to modern occupiers as such redevelopment may be needed. Notwithstanding this over occupancy of the units are high proven that the area is popular. </div>								
High	Medium	Low														
x																
Occupation	Main activities	Distribution, manufacturing, trade counter, office					Describe									
	Neighbourliness	<table border="1" style="display: inline-table; border-collapse: collapse;"> <tr> <th style="padding: 2px;">High</th> <th style="padding: 2px;">Medium</th> <th style="padding: 2px;">Low</th> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">x</td> </tr> </table>	High	Medium	Low			x	<div style="border: 1px solid black; padding: 2px;"> Comments A number of bad neighbour uses in the form of HGV and bus repair </div>							
	High	Medium	Low													
		x														
Vacancy	<table border="1" style="display: inline-table; border-collapse: collapse;"> <tr> <th style="padding: 2px;">High</th> <th style="padding: 2px;">Medium</th> <th style="padding: 2px;">Low</th> </tr> <tr> <td></td> <td></td> <td></td> </tr> </table>	High	Medium	Low				<div style="border: 1px solid black; padding: 2px;"> Comments </div>								
High	Medium	Low														

				x	The vast majority of the estate is occupied: 3 units new industrial units vacant on West Road, 4 small 1960s industrial units vacant at Oakwood Ind Est, small ground floor office vacant at Astra Centre and a number of small suites at Pear Tree Business Centre.				
Overall	Overall rating for:								
	Location	Grade A	High St	Managed	Marginal	Hybrid	Shed	Informal	Score
	Site			+1	+1		+1		-1 = poor
	Buildings			0	0		+1		0 = fair
	Occupation			0	0		+1		+1 = good
				+1	0		+1		
	Other comments	Well operating industrial area and showing signs that it is responding to the change in the market. The greatest threat to the area is that more than one of the major occupiers could vacate at the same time, this would dramatically impact the vitality of the estate. Especially as these sites are likely require redevelopment before occupied again which will delay the vacancy period.							

Harlow Site Assessment Template

Record	Site reference	8. Templefields						%	
	Location/address	Temple Fields Industrial Estate, Riverway							
	Premises type	Grade A	High St	Managed	Marginal	Hybrid	Shed		Informal
Location	Situation	Temple Fields Industrial Estate is situated to the north east of Harlow town centre. It is an established employment area mainly comprising light industrial and distribution warehouses. The industrial area has a number of smaller estates contained within which include Harlow Enterprise Centre, Mead Park and Greenaway Business Centre These parks generally provide more modern buildings with the core of the estate which runs along the River Way providing mainly 1960/70s buildings.						Describe	
	Vehicle access	Good vehicle access is provided from A414 Edinburgh Way, this in turn links the industrial area to the town centre and out to Junction 7 of the M11						Describe	
	Public transport	Bus transport provided along the River way						Bus/tube	
Site	Operational constraints	Poor on-site amenities. Nearest facilities on the nearby Edinburgh Way which would involve a car journey. Due to the industrial nature of the area combined with its location the area can feel quite isolated.						Describe	
	Car parking & servicing	Good	Average	Poor	Comments All units have on-site car parking. No obvious issue with people parking on the service roads				
	Environment	Good	Average	Poor	Comments The environment on the more modern estates is good. The general environment along the River Way is good/ acceptable for its age. With only a few small pockets where the estate is poor e.g. around by the River Café. The large vacant Vinter House and the under utilised neighbouring site do not help the environment along River Way.				
	Redevelopment potential	Good	Average	Poor	Comments The industrial area is showing signs that it is evolving with the Mead Park. The larger sites along the River Way provide an excellent opportunity for future redevelopment for similar industrial uses				
Buildings	Age	Pre-war	50s-60s	70s-80s	80s-90s	Post 00	%		
	Quality of care	High	Medium	Low	Comments The vast majority of the buildings have been well maintained				
	Marketability	High	Medium	Low	Comments The industrial area has a good range of units sizes and types to appeal to all types of industrial occupiers. The new estates have good shared secure service yards with some of the larger older units being self-contained. Some of the large distribution units may not meet modern occupiers needs due to configuration. The lack of on-site facilities is the only draw back. However, the retail park is nearby for car users.				
Occupation	Main activities	logistics, manufacturing, household waste facility, trade counter						Describe	
	Neighbourliness	High	Medium	Low	Comments There are number of bad neighbour uses such as waste recycling and manufacturing.				
	Vacancy	High	Medium	Low	Comments The vast majority of the estate is well occupied, however, there are a few pockets where vacancy appears an issue. The large (17 acres) site(Vinter House) on the River Way plus the 4 vacant units out of 28 at Mead Park, and 1 unit at Stort Mill. However, given the size and scale of the estate this is relatively low.				
Overall	Overall rating for:	Grade A	High St	Managed	Marginal	Hybrid	Shed	Informal	Score
	Location						+1		-1 = poor
	Site						+1		0 = fair
	Buildings						+1		+1 = good
	Occupation						+1		
	Other comments	Area works well for industrial use and distribution. Evolution of the estate will see some of the larger sites rationalised into smaller units once the large occupiers vacate. However, there is a threat to the area if a number of the larger occupiers vacate at the same time as this could lead to the appearance of high vacancy. The opportunity will be to redevelop these sites to meet modern occupier requirements.							

Harlow Site Assessment Template

Record	Site reference	9. Pinnacles Ind Estate						%
	Location/address	Pinnacles Ind Estate, Elizabeth Way, Harlow						
	Premises type	Grade A	High St	Managed	Marginal	Hybrid	Shed	
Location	Situation	Pinnacles Industrial Estate is primarily an industrial area located to there west of Harlow town centre. The industrial area is accessed from Elizabeth Way - this provides good road links to the motorway and town centre. The estate benefits from a number of significantly large occupiers that include GSK, Pitney Bowes, Tesco, and Unitruck. The industrial area has a number of smaller industrial estates that comprises Ash Industrial Estate, Harlow Business Park, Stadium Way and Rydonbury Industrial Estate.						Describe
	Vehicle access	Direct access onto Edinburgh Way. Provides good access into the town centre and out to the motorway.						Describe
	Public transport	Good public transport access. Bus travels through the estate.						Bus/tube
Site	Operational constraints	Generally no obvious constraints except for lack of amenities.						Describe
	Car parking & servicing	Good	Average	Poor				Comments
		x						Majority of the units have good on-site provision. The larger units have secure large service yards. The newer units have a shared secure yard
	Environment	Good	Average	Poor				Comments
		x						The general environment is good. The vast majority of the area has been well maintained with only a small pocket around Horsecroft Place where the environment is poor. However, as the estate has a high number of large occupiers/large sites which are self contained with little general on site amenities the area feels isolated, which is exacerbated around Harlow Business Park.
	Redevelopment potential	Good	Average	Poor				Comments
	x						The large units/sites provide excellent scope for redevelopment. In addition Harlow Business Park has expansion land for further development and the former GSK site off Third Avenue/Elizabeth Way roundabout is being redeveloped.	
Buildings	Age	Pre-war	50s-60s	70s-80s	80s-90s	Post 00	%	
	Quality of care	High	Medium	Low				Comments
		x						Units are well maintained and with the integration of new units is helping to maintain the vitality of the estate. A number of units around Horsecroft are starting to show signs of deterioration therefore these need monitoring.
	Marketability	High	Medium	Low				Comments
		x						The area offers a wide range of industrial and warehouse units. It is an established industrial and hence it has a critical mass of occupiers. The only draw back is the small to medium sized industrial units are underrepresented. There is also a lacks on-site and nearby amenities.
Occupation	Main activities	Distribution, manufacturing, trade counter, office						Describe
	Neighbourliness	High	Medium	Low				Comments
			x					As the area is primarily an industrial estate there are a some bad neighbour uses in parts that include manufacturing and vehicle repair.
	Vacancy	High	Medium	Low				Comments

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