Lambert Smith Hampton

BABERGH AND MID SUFFOLK

Final Report

ECONOMIC LAND NEEDS ASSESSMENT

June 2024

lsh.co.uk

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This document has been prepared and checked in accordance with the Lambert Smith Hampton Quality Assurance procedures and authorised for release.

Signed: 

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For and on behalf of Lambert Smith Hampton

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1.0 INTRODUCTION

1.1 Overview

1.1.1 Lambert Smith Hampton have been appointed by Babergh District Council and Mid Suffolk District Council the "Councils" or "Districts" to prepare an Economic Land Needs Assessment.

1.1.2 This report will provide an assessment of the districts' economy and investigate the economic potential of the districts based on economic forecasting and modelling scenarios for future growth. It will determine the future employment land requirements in the districts to support the identified growth for 2023 – 2037 and 2043 in respect of population projections.

1.1.3 This report has been prepared in accordance with National Planning Policy Framework (NPPF) and Planning Practice Guidance (PPG).

1.1.4 This report provides a robust assessment based on both wide-ranging data analysis as well as contextual evaluation. The study provides:

- Policy review of the national, regional, and local economic policies and strategies
- Review of the socio-economic baseline
- Summary of the stakeholder engagement undertaken
- Evaluation of the district's pattern of supply and loss
- Review of the economic forecasts
- Identification of future floorspace and land area requirements

2.0 DEFINING THE FUNCTIONAL ECONOMIC MARKET AREA

2.1.1 This section considers the functional economic market areas (FEMAs) covering Babergh District Council and Mid Suffolk District Council areas.

2.2 National Planning Policy Framework

2.2.1 FEMAs aim to capture the spatial level at which an economic operates, and the PPG provides the following guidance on how they should be identified:

> *"Since patterns of economic activity vary from place to place, there is no standard approach to defining a functional economic market area, however, it is possible to define them taking account of factors including:*
>
> - *extent of any Local Enterprise Partnership within the area;*
> - *travel to work areas;*
> - *housing market area;*
> - *flow of goods, services and information within the local economy;*
> - *service market for consumers;*
> - *administrative area;*
> - *catchment areas of facilities providing cultural and social well-being; and*
> - *transport network"*

Paragraph: 019 Reference ID: 61-019-20190315

2.3 Previous Studies

Functional Economic Market Areas

2.3.1 As part of defining the FEMA, a review of previous studies has been conducted, this can be summarised as below. Here it should be noted that the districts of Suffolk Coastal District and Waveney District were merged in 2019 to form East Suffolk District.

- Ipswich and Waveney Economic Area Employment Land Needs Assessment – published in March 2016 – the area studies as part of this report comprised Ipswich Borough, Suffolk Coastal District, Mid Suffolk District and Babergh District, and Waveney District. As part of this study there was analysis of the Travel to Work Areas, Housing Market Areas, Commercial Property Market Areas, and LEP areas. From this, it was concluded that there are two functional economic market areas comprising the Ipswich Economic area (comprising Ipswich Borough, Suffolk Coastal District, Mid Suffolk District and Babergh District) and Waveney Economic Area which comprises Waveney District only. However, the study recognises that there are numerous district economic and commercial property market sub-areas, such as:
    - Felixstowe/A14 Corridor, characterised by a high concentration of distribution related activities linked to shipping and sea freight;

- Wider Ipswich Market Area, comprising the town centre, edge of centre and out of centre business and industrial parks (such as the Martlesham Heath ICT cluster to the east of Ipswich) as well as nearby settlements including Great Blakenham and Claydon (which fall within Mid Suffolk);
- Lowestoft and Great Yarmouth, which are collectively recognised as a leading centre for renewable energy, and much of the demand for commercial property is driven by these energy and related sectors (which also include the south north sea oil and gas industry); and
- The A140 Corridor connecting Mid Suffolk locations such as Eye and Mendlesham to Norwich in the north and the A14 to the south through an arterial road supporting the movement of goods.

Housing Market Areas

2.3.2 The Housing Market Area (HMA) has been defined in the following studies:

- Ipswich Study Area SHMA Update - August 2012 – this study identified that the housing market area that covered Babergh, Mid Suffolk, Ipswich, and Suffolk Coastal authority.
- Ipswich and Waveney Housing Market Areas Strategic Housing Market Assessment Part 1 – May 2017 - Here the analysis indicated that a HMA comprising the client authorities (Mid Suffolk, Ipswich, Babergh and Suffolk Coastal) could be identified. As part of this report, the inclusion of Waveney into the Ipswich HMA is discussed, here it is considered that Waveney could form a reasonable HMA on its own, or with the addition of Great Yarmouth.

2.3.3 In 2019 the former districts of Waveney and Suffolk Coastal were combined to form East Suffolk District.

2.4 Defining the FEMA

i) *Extent of any Local Enterprise Partnerships in the area*

2.4.1 Both Babergh and Mid Suffolk district fall within the New Anglia Local Enterprise Partnership (LEP) along with the other local authorities within Suffolk and Norfolk. From 1 April 2024, the Government ceased funding of the LEPs. From this date the New Anglia LEP's functions were transferred to Norfolk and Suffolk County Councils.

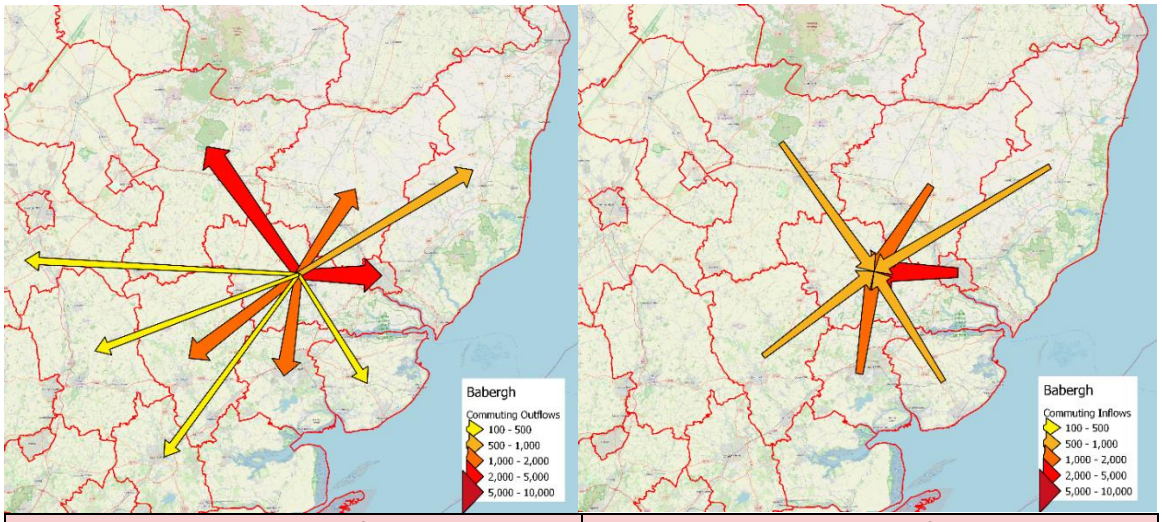
ii) *Commuting Flows*

2.4.2 The commuting flows into and out of Babergh, as recorded in the 2021 Census, are shown below. This shows the districts with the strongest workforce links with Babergh. Districts with more than 100 commuting flows are included.

2.4.3 For Babergh, the 2021 Census recorded total commuting outflows of 12,243 and inflows of 9,086. There is a net outflow of 3,157 commuters meaning outflows are 35% higher than inflows.

2.4.4 Babergh has net outflows to the majority of its neighbouring districts, the strongest outflows are to West Suffolk (1,435). Notably, Ipswich and Mid Suffolk are exceptions to this and have minor net commuting inflows to Babergh – there is an inflow of 205 from Ipswich, and 156 from Mid Suffolk.

Figure 1: Babergh Commuting Flows



Babergh Top Outflows		Babergh Top Inflows	
Ipswich	2,907	Ipswich	3,112
West Suffolk	2,214	Mid Suffolk	1,247
Colchester	1,797	Colchester	1,042
Braintree	1,101	Braintree	834
Mid Suffolk	1,091	East Suffolk	779
East Suffolk	927	West Suffolk	779
Tendring	497	Tendring	641
Chelmsford	202		
Uttlesford	166		
South Cambridgeshire	100		

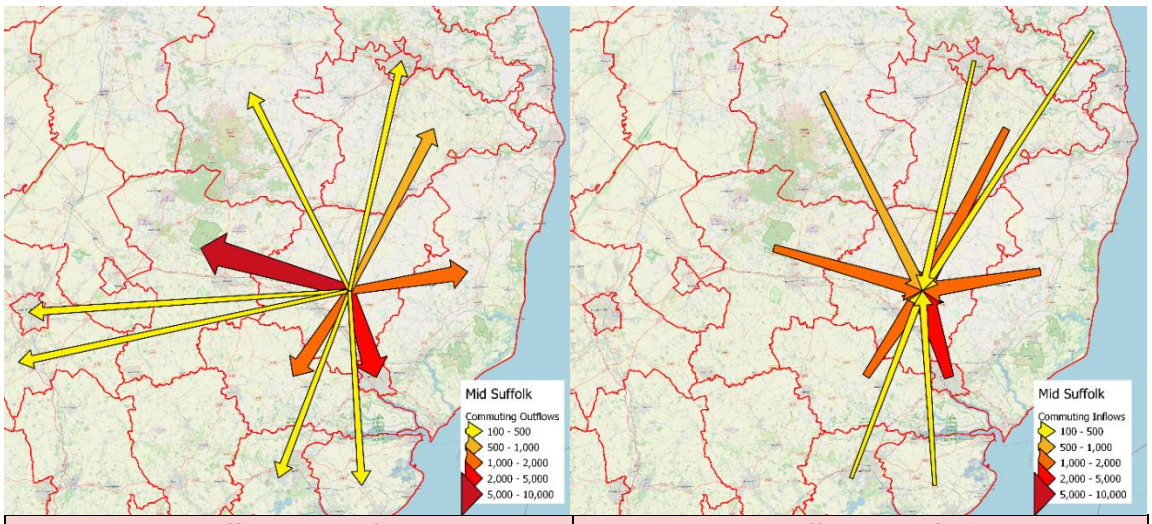
Source: 2021 Census data

2.4.5 The figures below show the districts with the strongest commuting flows into and out of Mid Suffolk. Districts with more than 100 commuting flows are included.

2.4.6 For Mid Suffolk, the 2021 Census recorded total commuting outflows of 15,156 and inflows of 11,192. There is a net outflow of 3,964 commuters meaning, as with Babergh, outflows are 35% higher than inflows.

2.4.7 Mid Suffolk has very strong commuting outflows to West Suffolk – with outflows of 5,298 and net commuting flows of 3,836. There are minor net outflows to Ipswich (79) and Babergh (156). There are significant net inflows from South Norfolk (603).

Figure 2: Mid Suffolk Commuting Flows



Mid Suffolk Top Outflows		Mid Suffolk Top Inflows	
West Suffolk	5,298	Ipswich	3,215
Ipswich	3,294	South Norfolk	1,603
East Suffolk	1,944	West Suffolk	1,462
Babergh	1,247	East Suffolk	1,392
South Norfolk	1,000	Babergh	1,091
Breckland	361	Breckland	580
Colchester	320	Great Yarmouth	304
Cambridge	154	Colchester	238
South Cambridgeshire	144	Norwich	178
Norwich	114	Tendring	133
Outside the UK	108		
Tendring	106		

Source: 2021 Census data

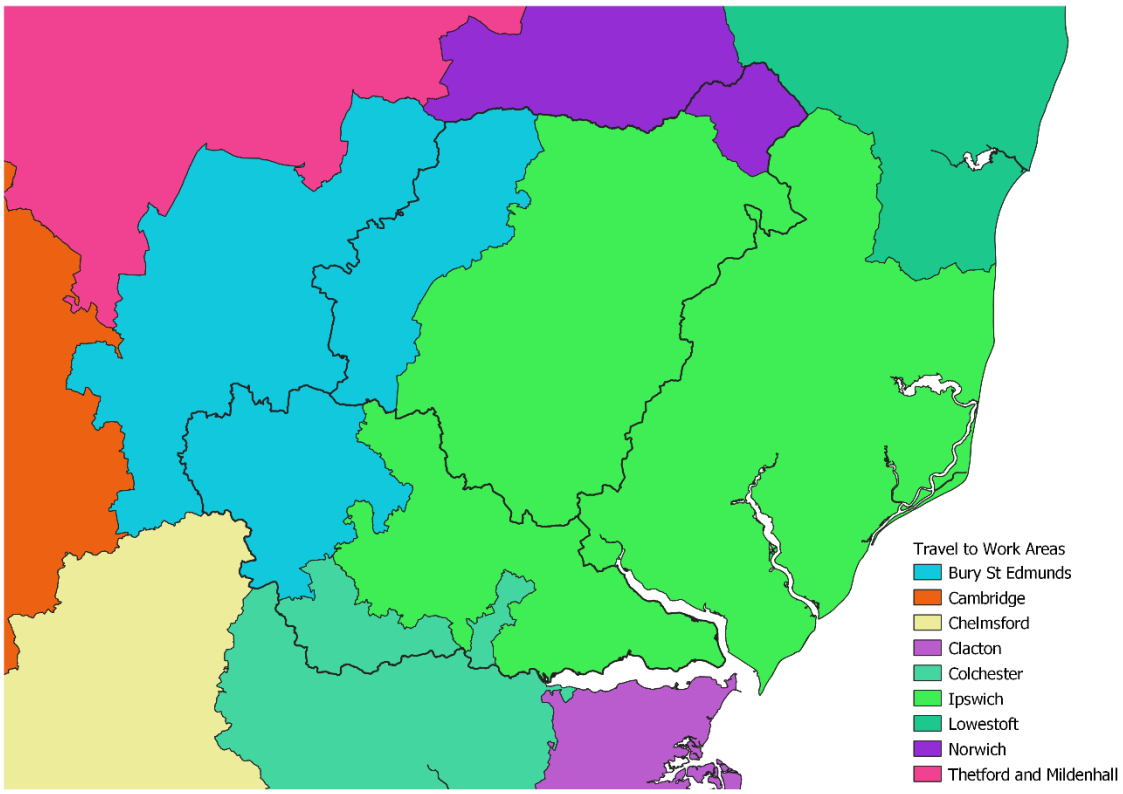
2.4.8 The most recent Travel to Work Areas (TTWAs) for the UK were published by ONS in 2016 and were collated as part of the 2011 Census[1]. A self-contained labour market is defined as an area in which all commuting occurs within the boundary of the area. However, due to the nature of commuting patterns, this can be hard to diffuse, as such TTWAs describe an area whereby at least 75% of the area's resident workforce work in the area and at least 75% of the people who work in the area also live in the area. In addition to this, the area must also have an economically active population of at least 3,500. However, for areas with a working population in excess of 25,000, self-containment rates as low as 66.7% are accepted as part of a limited "trade-off" between workforce size and level of self-containment.

2.4.9 These show that Babergh district is divided between three TTWAs – the west of the district forms part of the Bury St Edmunds TTWA, the east of the district forms part of the Ipswich TTWA, and the south-west forms part of the Colchester TTWA.

[1] Whilst the 2021 Census has taken place, the data relating to the TTWAs has not yet been released.

2.4.10 Likewise, Mid Suffolk is also divided between three TTWAs – the west of the district forms part of the Bury St Edmunds TTWA, the east of the district forms part of the Ipswich TTWA, and the north-east forms part of the Norwich TTWA.

Figure 3: Travel to Work Areas



Source: ONS

2.4.11 However, it is useful to assess the underlying commuting data to provide a more detailed assessment of FEMAs covering Babergh and Mid Suffolk. The TTWAs suggest very defined boundaries whereas in reality the boundaries are very fuzzy, particularly in rural areas or in areas with dispersed employment patterns or where significant employment is located outside of the largest urban centres – for example along major corridors. It is notable that the ONS TTWAs spanning Babergh and Mid Suffolk do not align with the local commercial market areas identified in previous studies.

2.4.12 For this reason, the underlying commuting data which feeds into the TTWAs (from the 2011 Census) has been assessed at sub-district (MSOA) level.

2.4.13 Further to this, the commuting data from the 2021 Census has been released providing more up to date commuting flows data. However corresponding TTWAs relating to this data have not been published. However, as noted by ONS, this data should be treated with caution given the Census was taken close to the Covid Pandemic, meaning that commuting data may reflect short-term trends but may be less indicative of longer-term patterns in commuting.

2.4.14 Given the potential uncertainty surrounding the 2021 data, both sets of commuting data (from 2011 and 2021) have been assessed as part of this study. Sub-district flows have been assessed and mapped at MSOA level. The 2021 data are set out below, a comparison between the 2011 and 2021 data are set out in Appendix A.

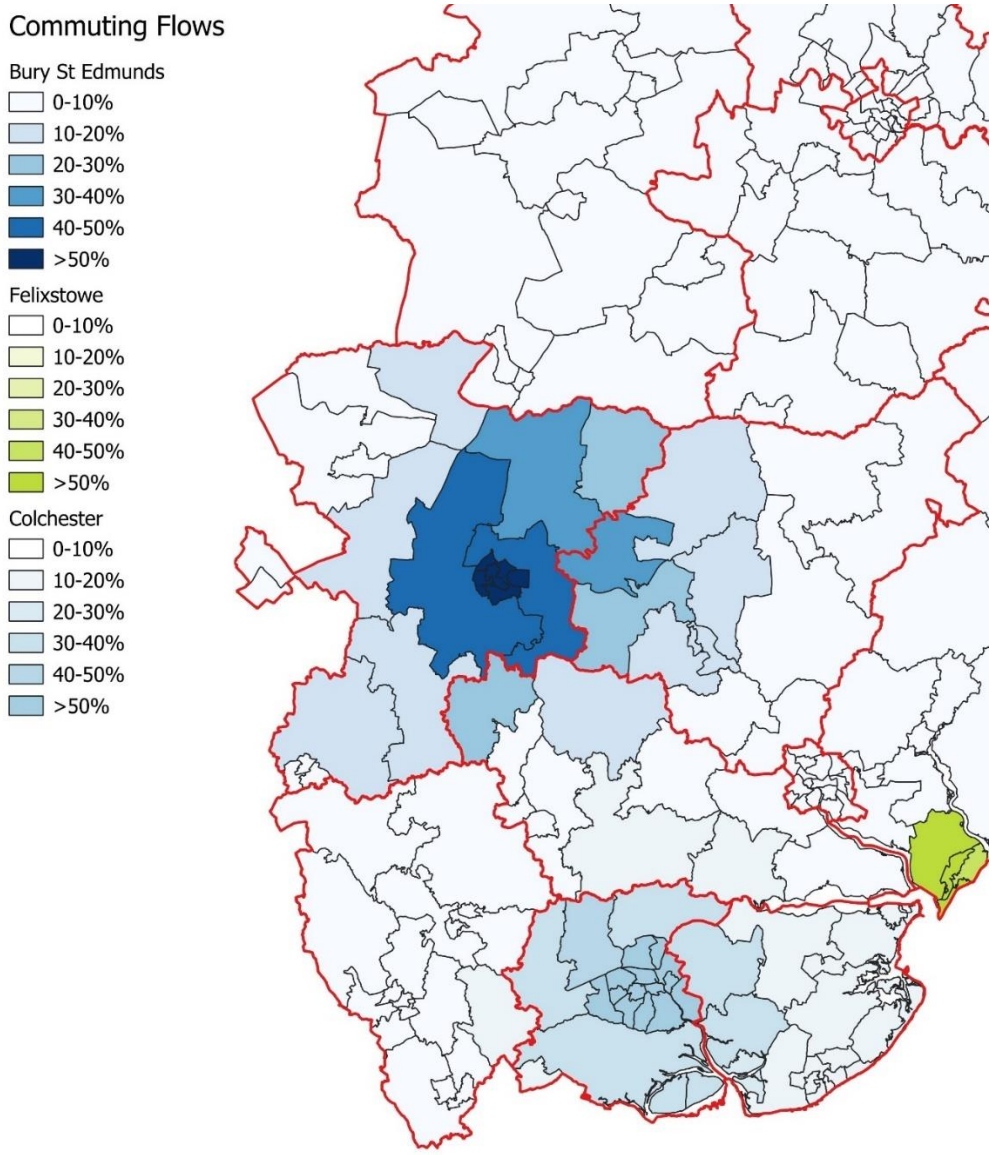
2.4.15 Generally, the 2021 Census data shows a higher level of home-working and lower levels of overall commuting, which to some extent reflects pandemic-influenced trends at the date of survey but also reflects a 'new normal'. Looking at commuting flows the 2021 data shows a general trend of lower levels of self-containment than for the corresponding 2001 data, and conversely higher levels of inflows from further afield. This trend is seen across the majority of areas.

2.4.16 Overall, this shows that a larger proportion of workers are commuting from further afield in 2021 than they were in 2011. One reason for this might be hybrid working allowing fewer days commuting so longer commutes are more accepted.

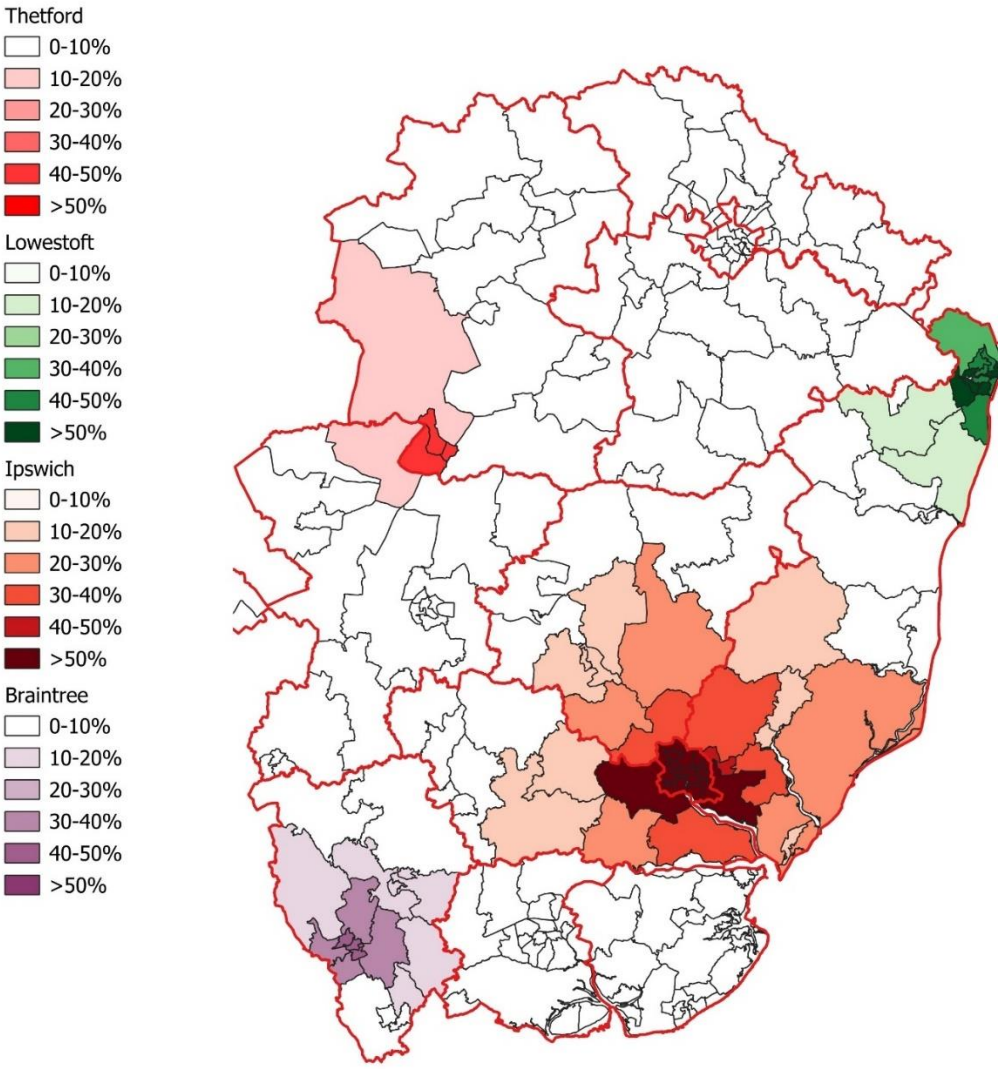
2.4.17 This means the commuter catchment areas using the 2021 data are slightly wider than the 2011 data and there is slightly more overlap between catchment areas. However, the commuter catchment areas shown be each set of data is not significantly different.

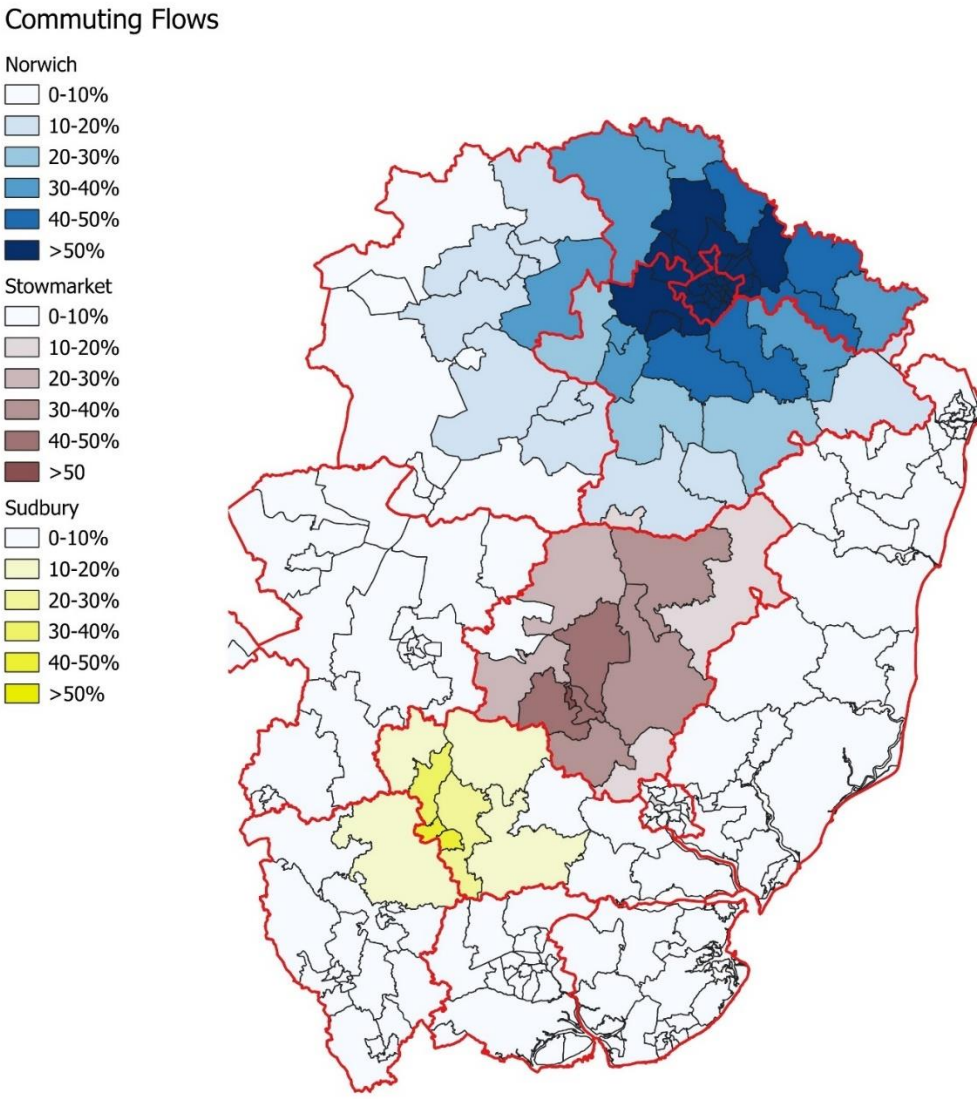
2.4.18 These data show the area of influence for each of the largest employment areas in Babergh and Mid Suffolk and surrounding areas. This shows that while the area around Stowmarket and north up the A140 corridor have a distinct market separate from the rest of the Ipswich, albeit with considerable overlap between the two areas, particularly along the A14 corridor. It also shows the area around Sudbury as not strongly influenced by either Bury St Edmunds or Colchester TTWAs, but comprising a smaller self-contained area, albeit not high enough above the threshold to constitute a separate TTWA under the ONS methodology.

Figure 4: Commuting Flows - 2021



Commuting Flows



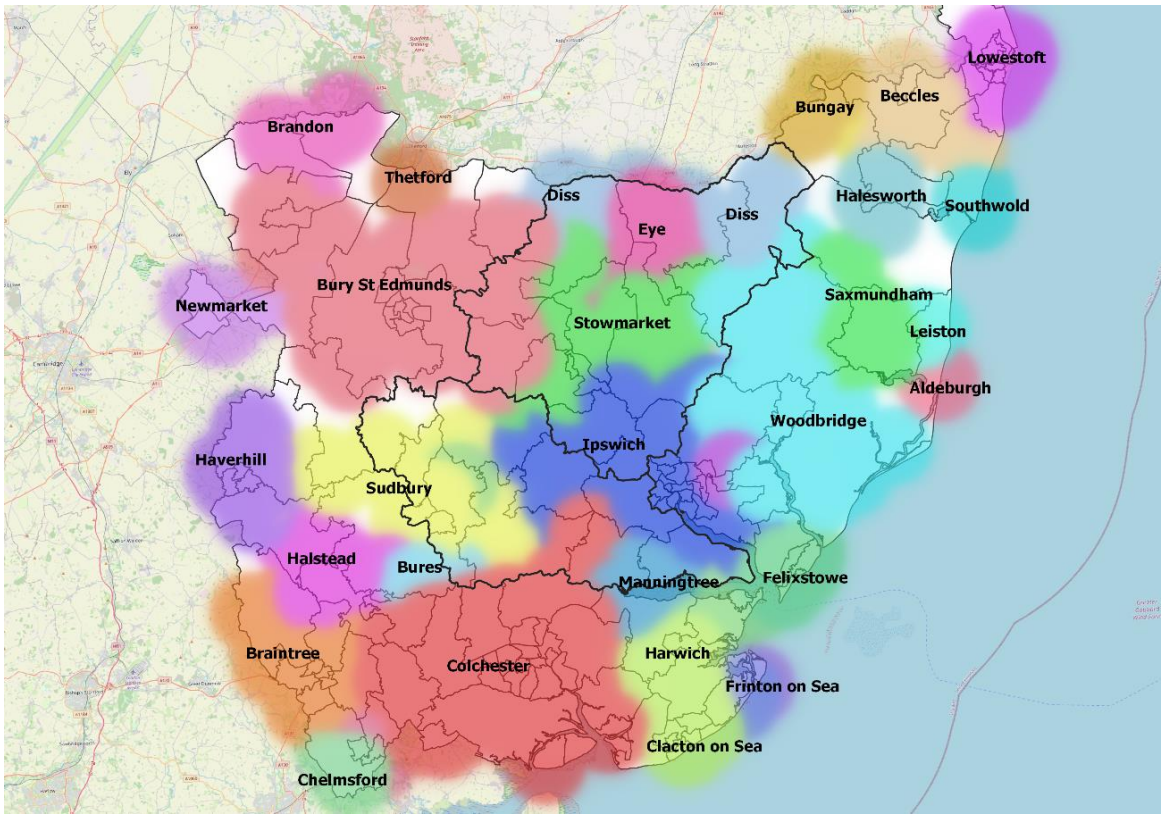


Source: Analysis of 2021 Census data

2.4.19 In addition to commuting flows, we can consider the commercial market areas in terms of areas of search for businesses looking to locate within an area. This can be identified through analysis of data from commercial market aggregators such as CoStar. The location data for all commercial properties has been plotted on the map below to show the geographical coverage of each settlement – in other words, the properties which would come up if that location was searched for by a prospective occupier.

2.4.20 Clearly this data does not align with the ONS geographies, as it's based on the actual location of advertised commercial premises. This provides useful additional data to clarify the overlapping areas identified in the commuting data, in particular the extent to which the Ipswich and Bury St Edmunds areas extend into Mid Suffolk, and the lack of which the Bury St Edmunds area extends into Babergh.

Figure 5: Commercial Locations



Source: Analysis of CoStar data

2.5 Stakeholder Feedback on the Functional Economic Market Area

2.5.1 Ipswich is seen as the main centre of commercial market activity in the wider area. While there are defined sub-markets across the districts beyond Ipswich, the Ipswich market was seen to affect the property market dynamics across the districts. Ipswich is also identified as being a strong draw for the labour flows across Babergh and Mid Suffolk drawing considerable inflows of commuters from these districts.

2.5.2 The consensus of the stakeholders was to identify a number of distinct commercial market areas across Babergh/Mid Suffolk:

- A14 Corridor and Stowmarket
- Ipswich
- A140 Corridor
- Sudbury
- Rural Areas

2.5.3 There is considerable overlap between the Ipswich industrial/warehouse market and the A140 Corridor market, as well as being overlapped by the Freeport East area and provide the main location for freight coming inland from Felixstowe.

2.5.4 There are also identified separate local markets along the A140 and A12 Corridors and at Sudbury and Hadleigh which provide for more local demand. Demand in these areas is predominantly driven by the growth of existing businesses with strong local links and reluctance to move out of their local area. Additionally there are requirements across the rural areas to support the agri-food sector.

2.5.5 In terms of the office market area, this is focussed in Ipswich with very little across the rest of the districts. Other competing office markets in Cambridge and Colchester were not considered to overlap the study area considerably.

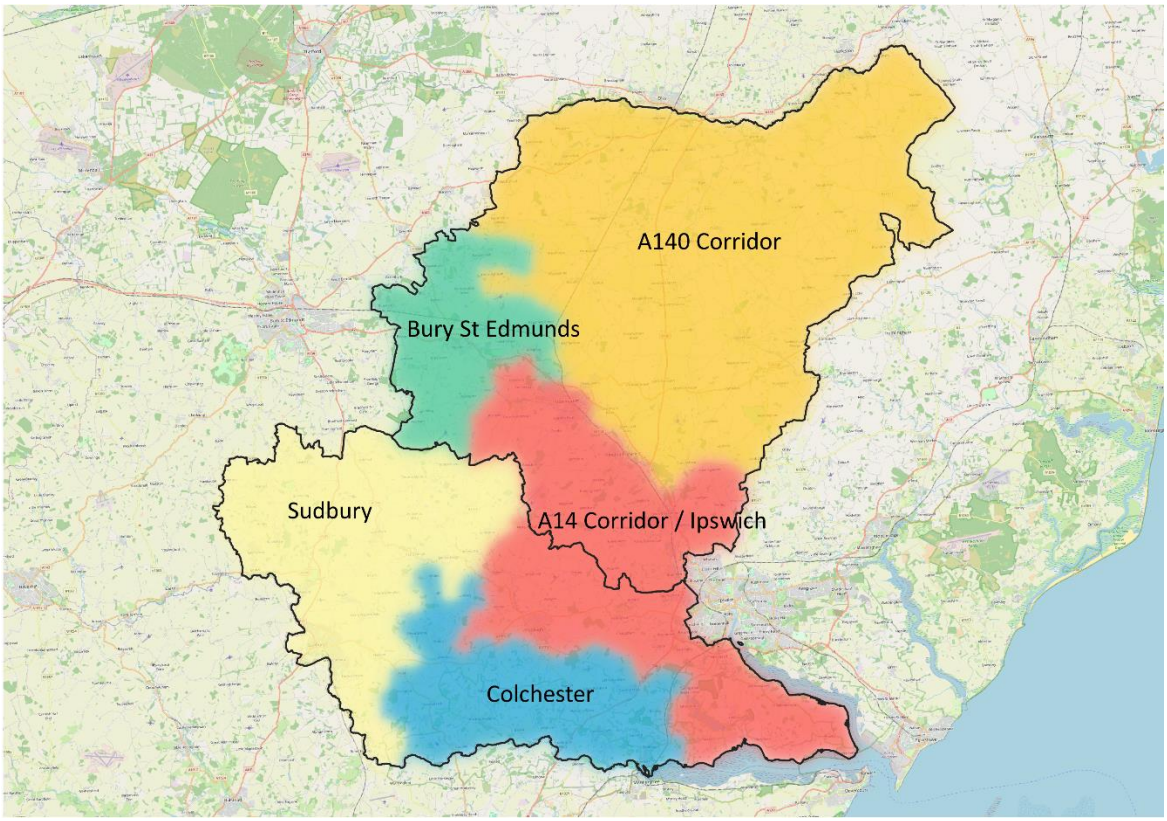
2.5.6 Stakeholders felt it is important that the needs of each local market were met with sufficient deliverable site allocations rather than all development focussed in the major corridors. It is also felt that policies should ensure that each district's needs are met within the district – some stakeholders felt that historically more development has been focussed in Mid Suffolk.

2.6 Summary

2.6.1 Taking the above analysis into account, we can identify the following local FEMAs which cover Babergh and Mid Suffolk, identified on the map below:

- Bury St Edmunds
- Colchester
- A14 Corridor / Ipswich Fringe
- A140 Corridor
- Sudbury

Figure 6: Local Functional Economic Market Areas



3.0 POLICY AND LITERATURE REVIEW

3.1 National Economic Strategy

i) *The Growth Plan 2022*

3.1.1 In September 2022 the Government published a growth plan. This sets out the Government's central economic mission of setting a target of reaching a 2.5% trend rate. This is in the hope of creating sustainable growth that will lead to higher wages, greater opportunities, and provide sustainable funding for public services.

3.1.2 To achieve this, the Plan sets out the Government's strategy to cut taxes, streamline the public sector, and liberate the private sector in hopes of making Britain the place for:

- investment: creating the right conditions and removing barriers to the flow of private capital – whether taxes or regulation
- skilled employment: helping the unemployed into work and those in jobs secure better paid work
- infrastructure: accelerating the construction of vital infrastructure projects by liberalising the planning system and streamlining consultation and approval requirements
- home ownership: getting the housing market moving
- enterprise: cutting red tape and freeing business to grow and invest

3.1.3 As part of this there are numerous sectoral specific interventions that will affect the UK economy, such as:

- Making permanent the temporary £1 million level of the Annual Investment Allowance (AIA) to support businesses investing between £200,000 and £1 million in plant and machinery
- Reforms to Research and Development (R&D) tax reliefs to: add pure mathematics research within scope of the reliefs, including data and cloud computing as new qualifying costs and refocussing the reliefs towards innovation in the UK
- Scale up Science and Technology by (a) reforming the pensions regulatory charge cap to enable pension schemes to have the clarity and flexibility to invest in businesses and productive assets, and (b) introducing the Long-Term Investment for Technology & Science (LIFTS) competition, providing up to £500 million to support new funds designed to catalyse investment from pensions schemes and other investors into the UK's pioneering science and technology businesses.
- Deregulation of the UK financial services sector including plans to repealing EU law for financial services and replacing it with rules tailor made for the UK, and scrapping EU rules from Solvency II to free up billions of pounds for investment

ii) *Build Back Better: Our plan for growth*

3.1.4 In March 2021 the Government published 'Build Back Better: our plan for growth' which sets out the strategy for economic growth in Britain following the Covid-19 pandemic and lockdowns.

3.1.5 This report identified three core pillars of economic growth:

a- Infrastructure – investment into roads, rail, and cities with the aims of connecting people with economic opportunities as part of the 'levelling up' agenda and progressing the Green Industrial Revolution,

b- Skills – additional investment into Further Education, introduction of the Lifetime Skills Guarantee, and continued focus on apprentice quality

c- Innovation – support the development of creative technologies, attracting a creative workforce, and introducing new schemes to encourage small and medium enterprises

3.1.6 The paper recognises that economic growth is not equal and as such the three core pillars of growth aimed to drive growth as follows:

a- up the whole of the UK: the Government aim to achieve economic growth that improves the quality of life for communities across the UK and reducing the current geographical disparities.

b- Net zero: aim to continue tackling climate change, and deliver a Ten Point Plan for a Green Revolution

c- Britain: As UK prosperity is built on the integration with global economics, following the exit from the European Union the UK aims to take advantage of the new opportunities to ensure it remains a leading destination for global investment.

3.2 Regional Policy

i) Norfolk and Suffolk Economic Strategy

3.2.1 New Anglia Local Economic Strategy was published in 2022, and this aims to set out actions that seek to deliver economic growth to the area.

3.2.2 The economic strategy outlines that the goals for Norfolk and Suffolk are as follows:

- A higher performing clean, productive and inclusive economy
- An international facing economy with high value exports
- A well-connected place, locally, nationally and internationally
- The place where high growth businesses with aspirations choose to be
- An inclusive economy with an appropriate and highly skilled workforce, where everyone benefits from clean economic growth
- A place with a clear, defined, ambitious offer to the world
- A centre for the UK's clean energy sector

3.2.3 The strategy also identifies the key growth sectors for Norfolk and Suffolk as: clean energy, agri-food, ICT digital.

ii) New Anglia Local Industrial Strategy

3.2.4 The New Anglia Local Industrial Strategy (LIS) was published in 2020 and sets out the opportunities and needs of Norfolk and Suffolk's growing economy.

3.2.5 The key growth areas and actions specified in the LIS are as follows:

- Clean Energy – Norfolk and Suffolk has existing expertise in all forms of energy generation and sits at the heart of the world's largest market for offshore wind energy. The ports in the area have the capacity and capability to capture investment that would contribute towards the offshore energy market, and expand OrbisEnergy's scope from offshore renewables to 'clean energy.
- Agri-food - Norfolk and Suffolk has the largest agri-food sector in the UK, and world-leading research into plant and soil technology and agricultural systems. The LIS sets the following actions to maximise the clean agri-food opportunity such as: investing in a Food Innovation Hub based at the Honingham Food Enterprise Zone, collaborate with and leverage the existing strengths of Agri-Tech East, and develop a world-leading hub for plant and microbial research at the John Innes Centre.
- ICT and Digital Creative - Norfolk and Suffolk's ICT and digital creative sectors are fast-growing and high-value. To maximise the opportunity the LEP aims to: deliver the Adastral Park 2025 vision which will create a growth engine for the UK, create a new digital hub in Norwich for the incubation of start-ups and accommodation of scale-up businesses in the digital and creative cluster, and develop the economic case for a Smart Emerging Technology Institute (SETI) and testbed. In addition to this, it was noted that Adastral Park has been identified by Government as one of the UK's High Potential Opportunities Above: Norwich is a hub for digital creative businesses for investment.

3.3 Local Policy

i) *Babergh*

3.3.1 The Babergh Core Strategy (2014) was adopted in February 2014 and has now largely been replaced by the Babergh and Mid Suffolk Joint Local Plan Part 1 Development Plan Document 2018-2037 (adopted November 2023).

3.3.2 A small number of saved policies from the Core Strategy remain, though all employment policies have been superseded by the Joint Local Plan.

ii) *Mid Suffolk*

3.3.3 Mid Suffolk's Core Strategy was adopted in September 2008. The Mid Suffolk Core Strategy and Focused Review have now been superseded by the Babergh and Mid Suffolk Joint Local Plan Part 1 2018-2037 (November 2023).

iii) *Babergh and Mid Suffolk Joint Local Plan Part 1*

3.3.4 Part 1 of the Joint Local Plan was adopted by Mid Suffolk District Council on 20 November 2023 and by Babergh District Council on 21 November 2023. The Plan area covers Babergh and Mid Suffolk, and the Plan period runs from 2018 to 2037.

3.3.5 The Part 1 document will later be followed by a Part 2 Plan, which upon adoption will also form part of the Development Plan, is likely to include the following matters:

- Settlement hierarchy;
- A spatial distribution for any housing allocations insofar as necessary to provide flexibility to ensure plan period housing requirements can be met;
- Housing requirement figures for Neighbourhood Plan areas;
- Settlement boundaries; Open space designations;
- An assessment of Gypsy, Travellers and Travelling Showpeople needs, and if necessary, allocations to provide for these needs;
- An assessment of Houseboat Dwellers' needs, and a relevant development management policy for houseboat dwellers, moorings and marinas;
- If demonstrated by monitoring to be necessary, mitigation to address the adverse air quality effects of traffic on the integrity of protected habitats sites; and
- Any other matters which are appropriately addressed in the Part 2 Plan in the light of the monitoring of the Part 1 Plan and the circumstances at the time.

3.3.6 With regards to employment land needs the Joint Local Plan Part 1 refers to the Employment Land Needs Assessment (2016) which identified a modest net additional employment land requirement to 2036 equating to approximately 2.9 ha in Babergh and 9.4 ha in Mid Suffolk.

3.3.7 In quantitative terms, the Plan identifies adequate land supply through vacant land (20.1 Ha in Babergh and 109.8 Ha in Mid Suffolk) on strategic employment sites to meet the additional employment land requirements over the Plan period. In addition there are further employment sites which have been granted planning permission along the strategic transport corridors.

3.3.8 The Plan also notes the importance to continue to support the retention and improvement of the network of established sites of varying sizes located across the Districts. Also noted is the importance of flexibility to accommodate net growth, to enhance the employment provision for uses that cannot be accommodated upon the existing strategic employment sites.

3.3.9 In total, the Plan identifies strategic employment sites which cover approximately 190 ha across Babergh, of which 20.1ha is vacant; and 440 ha across Mid Suffolk, of which 129.9 ha is vacant.

Table 1. Joint Local Plan Strategic Employment Allocations

Site No.	Site Name	Total Site Area (ha)	Vacant Land (Ha) (as at Nov 2022)
Babergh			
1	Acton - Bull Lane	11.8	0
2	Hadleigh - Lady Lane	22.9	0.5
3	Raydon - Notley Enterprise Park	11.2	0
4	Sproughton - Farthing Road	20.9	0
5	Sproughton Former Sugar Beat Factory	35.5	17.2
6	Sudbury - Chilton Industrial Estate, Delphi Site, Church Field Road and Northern Road	69.8	2.4
7	Sudbury - Wood Hall Business Park	9.4	0
8	Wherstead Business Park	7.2	0
Babergh Sub-Total		**188.7**	**20.1**
Mid Suffolk			
9	Eye Airfield	140.8	11
10	Great Blakenham - Gipping and Claydon Business Park	44.2	0
11	Needham Market - Lion Barn	17.4	3.4
12	Stowmarket - Charles Industrial Estate	2.2	0
13	Stowmarket - Gipping Employment Corridor	111.9	4.1
14	Stowmarket - Mill Lane / Gateway 14	79.3	79.3
15	Woolpit - Brickworks	4.4	0
16	Woolpit Business Park	10.7	2.3
17	Woolpit - Lady's Well	11.8	1.5
18	Woolpit - Lawn Farm	17.1	8.2
Mid Suffolk Sub-Total		**439.8**	**109.8**
Total		**628.5**	**129.9**

Source: Joint Local Plan, Table 6

4.0 SOCIO ECONOMIC PROFILE

4.1 Workplace Employment

4.1.1 The table below shows the workplace employment – i.e. the number of jobs located within an area. Babergh and Mid Suffolk have economies that support 38,300 and 42,600 jobs respectively – the smallest economies of the Suffolk authorities. Babergh has a lower rate of full-time employment at 63% compared to the national average of 68%. Babergh also has a high level of self-employment at 29% of employment compared to the national average of 13.5%. Mid Suffolk displays full-time and self-employment rates more in-line with the national averages.

Table 2. Workplace Employees and Employment

	Employment	Employees	Full-time employees	Part-time employees	Self Employed	Self Employed %
Babergh	38,300	27,300	63%	38%	11,000	29%
East Suffolk	113,400	89,800	65%	35%	23,600	21%
Ipswich	78,600	71,700	63%	37%	6,200	8%
Mid Suffolk	42,600	36,400	68%	32%	6,200	15%
West Suffolk	86,900	75,600	70%	30%	11,400	13%

Source: APS 2023

4.1.2 To identify the sectoral concentration of employment, analysis of the Business Registration and Employment (BRES) data has been undertaken.

4.1.3 The table below shows the number and jobs and percentage of jobs in each sector for both Babergh and Mid Suffolk.

4.1.4 For Babergh, the table below shows that the highest concentration of jobs in the district is in Manufacturing (4,500 jobs / 13%), Retail (4,000 jobs / 12%), Education (4,000 jobs / 12%), Accommodation and Food Services (3,000 jobs / 9%), and Health (3,000 jobs / 9%).

4.1.5 For Mid Suffolk, the table below shows that the highest concentration of jobs in the district are in Manufacturing (5,000 jobs / 13%) and Construction (5,000 jobs / 13%) followed by Transport (3,000 jobs / 8%), Professional, Scientific and Technical (3,000 jobs / 8%), Business Administration and Support (3,000 jobs / 8%), Education (3,000 jobs / 8%), and Health (3,000 jobs / 8%).

Table 3. Employment Profile – Babergh and Mid Suffolk

Industry	Babergh		Mid Suffolk	
	Jobs	%	Jobs	%
Agriculture, forestry & fishing (A)	1,500	4%	2,500	6%
Mining, quarrying & utilities (B,D and E)	250	1%	400	1%
Manufacturing (C)	4,500	13%	5,000	13%
Construction (F)	2,250	7%	5,000	13%
Motor trades (Part G)	900	3%	1,000	3%
Wholesale (Part G)	1,250	4%	1,750	4%
Retail (Part G)	4,000	12%	2,500	6%
Transport & storage (inc postal) (H)	1,250	4%	3,000	8%
Accommodation & food services (I)	3,000	9%	2,000	5%
Information & communication (J)	1,000	3%	1,000	3%
Financial & insurance (K)	350	1%	400	1%
Property (L)	450	1%	400	1%
Professional, scientific & technical (M)	2,500	7%	3,000	8%
Business administration & support services (N)	2,250	7%	3,000	8%
Public administration & defence (O)	250	1%	1,250	3%
Education (P)	4,000	12%	3,000	8%
Health (Q)	3,000	9%	3,000	8%
Arts, entertainment, recreation & other services (R,S,T and U)	1,500	4%	1,500	4%
Total	**34,200**	**100%**	**39,700**	**100%**

Source: BRES, 2021

4.1.6 The table below sets out the employment profile of Babergh and Mid Suffolk compared to Suffolk County, the East (region), and England as a whole. The table highlights where the Babergh or Mid Suffolk figure is higher (green) or lower (red) than all three of the wider geographies.

4.1.7 Comparative analysis of the sectoral compositions highlights some key differences of note:

- Manufacturing in Babergh and Mid Suffolk is comparatively higher at 13% compared to Suffolk (9%), East (7%), and England (7%).
- Construction in Mid Suffolk is higher at 13% compared to Construction (7%), Suffolk (6%), East (6%), and England (5%).
- Retail in Babergh comprises 12% of jobs, this is comparatively higher than Mid Suffolk (6%), Suffolk (9%), East (9%), and England (9%).
- Education in Babergh is at 12%, this is higher than Mid Suffolk (8%), Suffolk (9%), East (9%), and England (8%).
- With regard to Business Administration and Support Services Babergh and Mid Suffolk have concentrations of 7% and 8% comparatively, this is somewhat inline with England at 9% but lower than the concentrations in Suffolk (11%), and the East (12%).

Table 4. Employment Profile – Comparison

Industry	Babergh	Mid Suffolk	Suffolk	East	England
Agriculture, forestry & fishing (A)	4%	6%	3%	2%	1%
Mining, quarrying & utilities (B,D and E)	1%	1%	1%	1%	1%
Manufacturing (C)	13%	13%	9%	7%	7%
Construction (F)	7%	13%	6%	6%	5%
Motor trades (Part G)	3%	3%	2%	2%	2%
Wholesale (Part G)	4%	4%	3%	4%	4%
Retail (Part G)	12%	6%	9%	9%	9%
Transport & storage (inc postal) (H)	4%	8%	6%	5%	5%
Accommodation & food services (I)	9%	5%	7%	7%	7%
Information & communication (J)	3%	3%	3%	4%	5%
Financial & insurance (K)	1%	1%	3%	2%	4%
Property (L)	1%	1%	1%	2%	2%
Professional, scientific & technical (M)	7%	8%	6%	9%	9%
Business administration & support services (N)	7%	8%	11%	12%	9%
Public administration & defence (O)	1%	3%	4%	3%	4%
Education (P)	12%	8%	9%	9%	8%
Health (Q)	9%	8%	12%	12%	13%
Arts, entertainment, recreation & other services (R,S,T and U)	4%	4%	4%	4%	4%

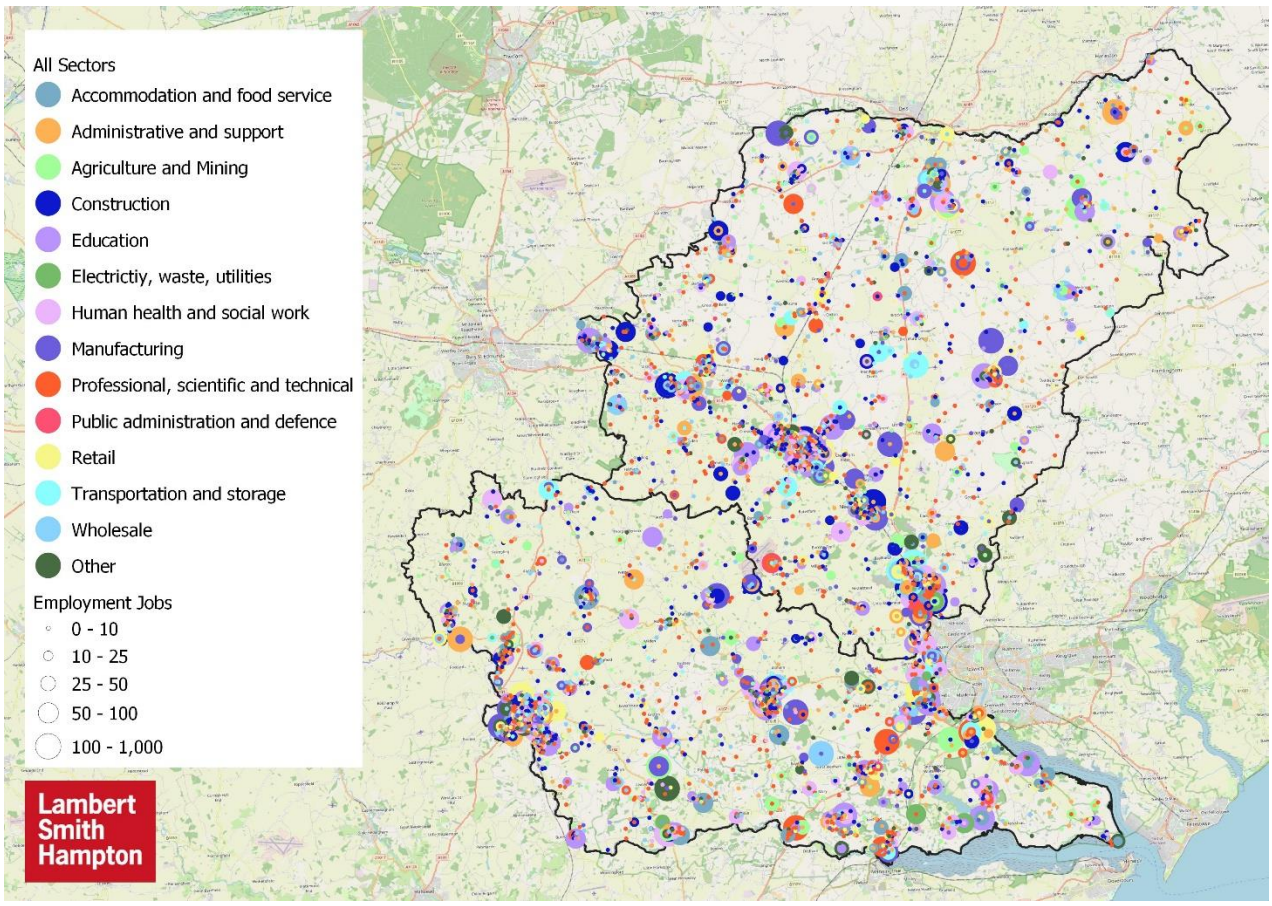
Source: BRES, 2021

4.1.8 The districts' employment by sector is shown spatially in the three maps below. These show data from the Inter-Departmental Business Register (IDBR) recorded by ONS. Unlike the BRES data shown above the IDBR holds records of all businesses and is not extrapolated from survey sample.

4.1.9 The figure below shows the location of employment in Babergh and Mid Suffolk by size and sector. This shows the general pattern of employment focussed particularly around the fringes of Ipswich, Stowmarket, and Sudbury as well as highlighting the importance of the A14 corridor. There are smaller concentrations at Eye and Hadleigh.

4.1.10 In addition to these concentrations of employment uses, the map shows a considerable spread of employment across the rural parts of the district. This includes all sectors and a considerable number of rural jobs are within sectors such as Accommodation and food service, Education, and Health. While these sectors are important drivers of employment in the district, they do not typically require employment floorspace or drive commercial market demand and so are less relevant for the purposes of identifying employment land needs. Two additional maps are included below which strip out just the employment sectors that typically require employment premises.

Figure 7: Map of Employment by Sector – All Sectors

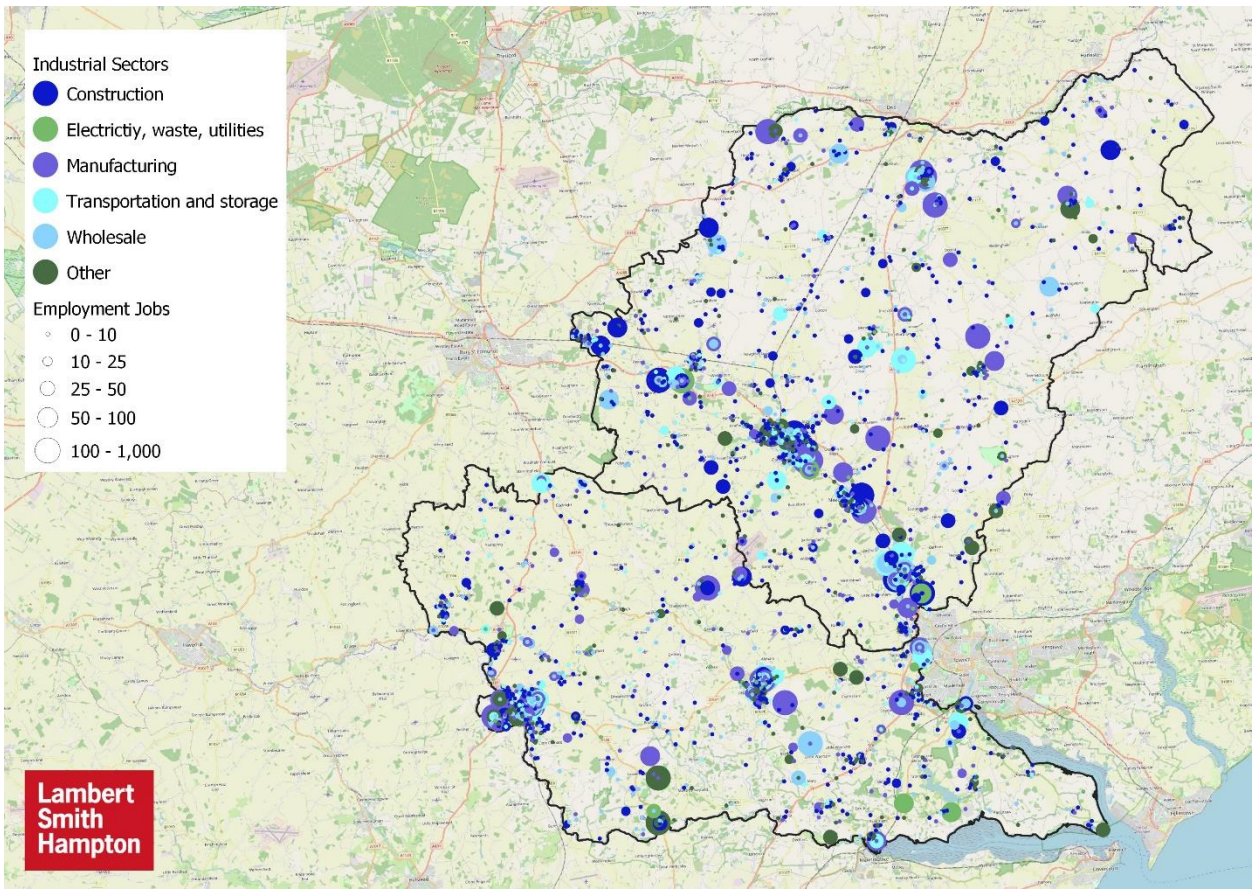


Source: LSH analysis of IDBR 2023 data

4.1.11 The figure below shows the location of employment in the sectors that typically require industrial and warehouse space.

4.1.12 This map shows a similar trend to the figure above albeit with more identifiable spatial trends and a clear pattern of development. There is a concentration of employment in these sectors around the fringes of Ipswich, Stowmarket, Sudbury, and along the A14 corridor. Beyond these key areas there are also large employment sites across the rural areas, particularly within the manufacturing sector, of which around a third relate to the Food and drink manufacturing sector.

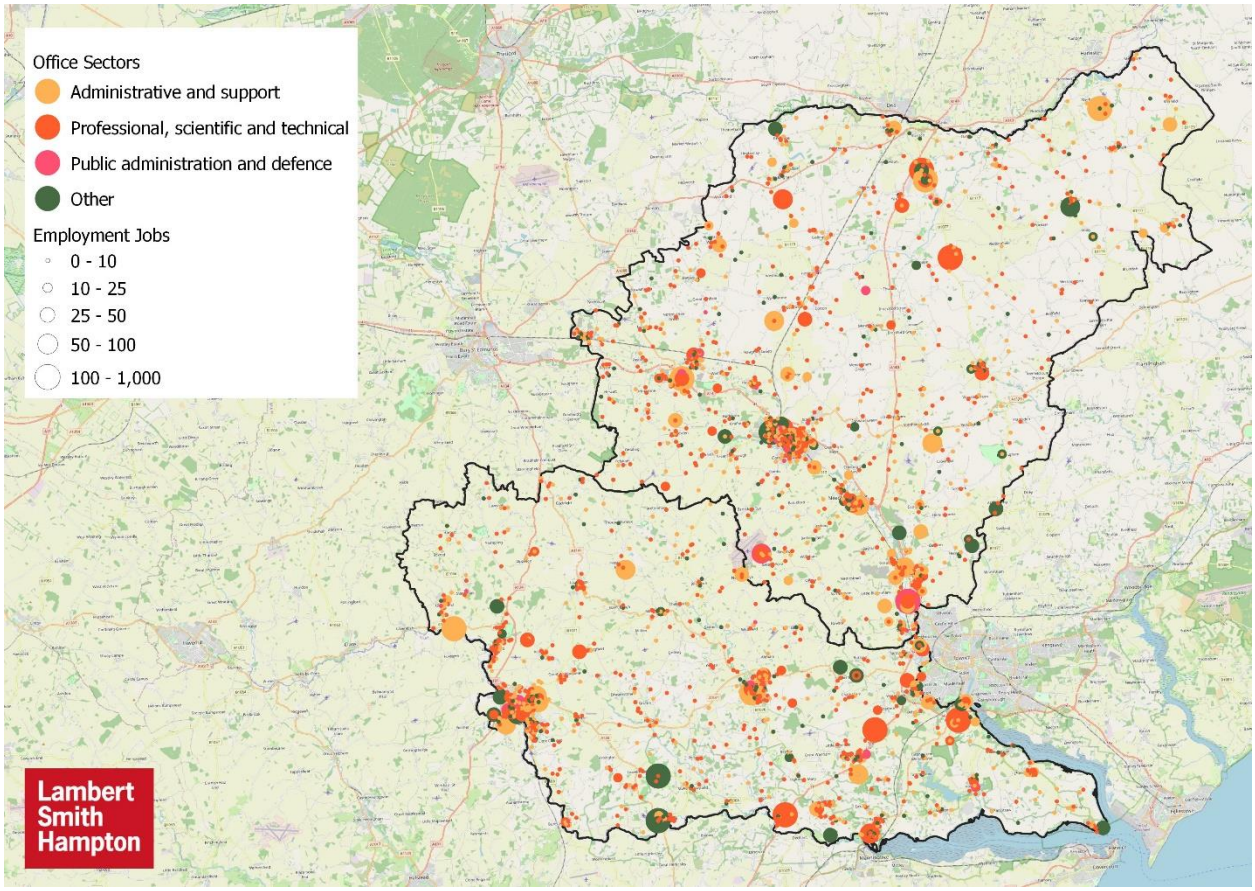
Figure 8: Map of Employment by Sector – Industrial Sectors



Source: LSH analysis of IDBR 2023 data

4.1.13 The figure below shows the location of employment in the sectors that typically require office space. This shows a similar pattern of development but with a greater proportion of office-based jobs focussed within the larger settlements of Stowmarket and Sudbury, and less along the A14 corridor and fewer large office employment sites in the rural areas.

Figure 9: Map of Employment by Sector – Office Sectors



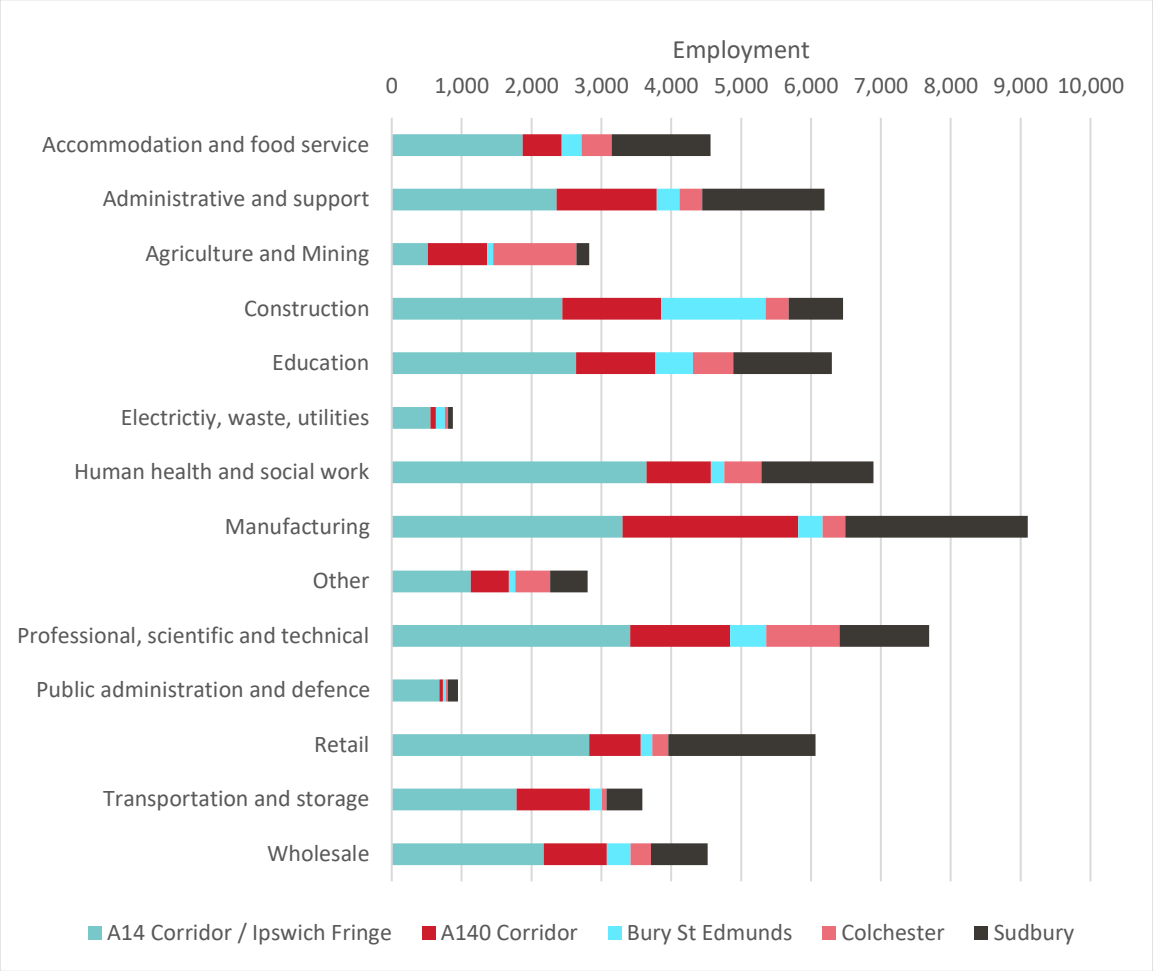
Source: LSH analysis of IDBR 2023 data

4.1.14 The figure below shows the employment across the districts by sector broken down by the sub-market areas identified in Section 2.

4.1.15 This shows the sectors that typically occupy industrial space – Construction, Utilities, Manufacturing, Transportation and storage, and Wholesale – all have the most employment within the A14 / Ipswich Fringe sub-area, but also have strong representation in the A140 and Sudbury sub-areas.

4.1.16 For the sectors which typically occupy office space – Admin and support, Professional scientific and technical, and Public admin and defence – the same trend is seen. The most employment within these sectors is in the A14 / Ipswich Fringe sub-area, followed by strong representation in the A140 and Sudbury sub-areas.

Figure 10: Employment by Sector by Sub-Area

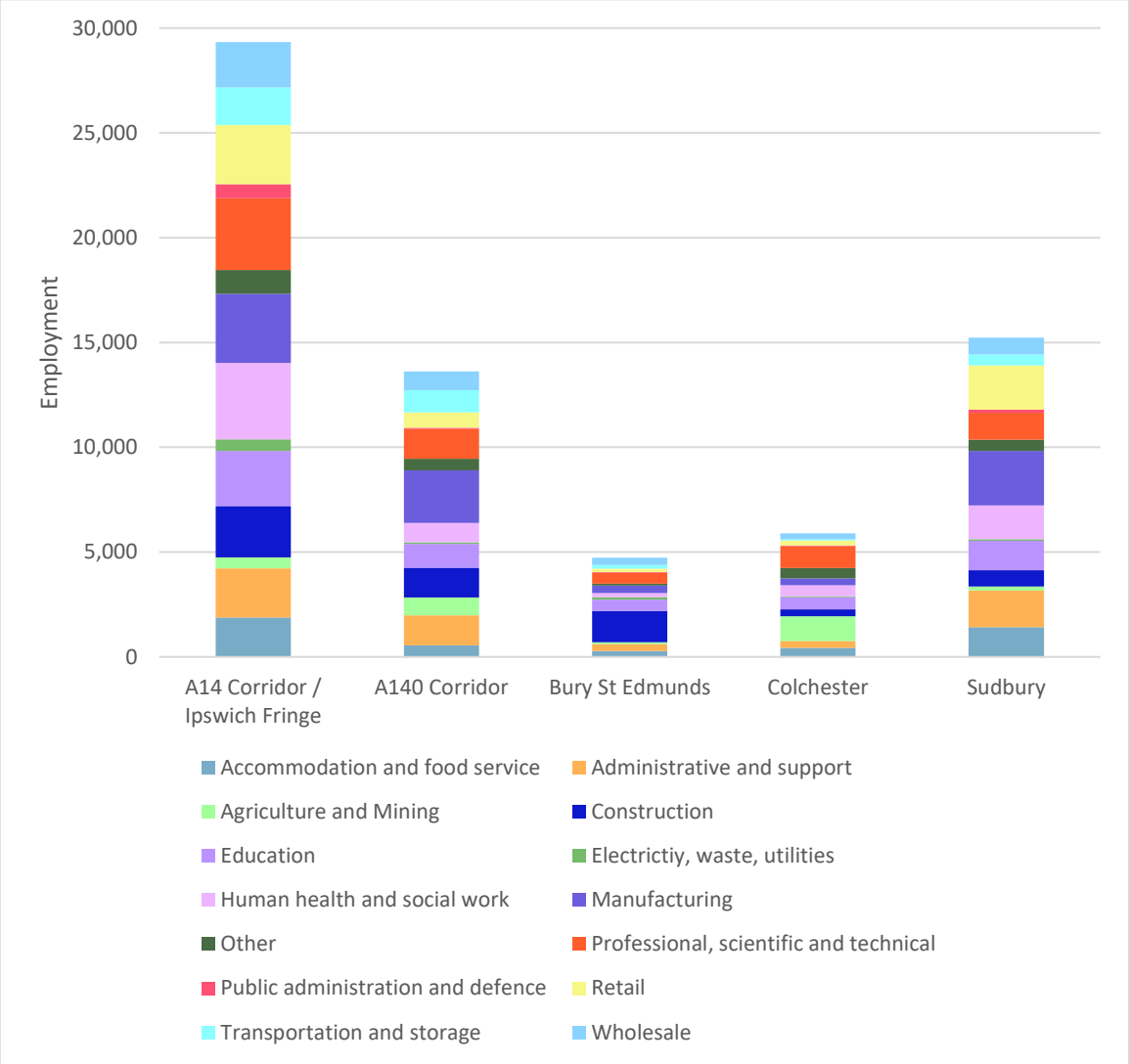


Source: LSH analysis of IDBR data

4.1.17 The figure below shows the same data summed by sub-area rather than sector. This shows the relative size of employment in each sub-area confirming the A14 Corridor / Ipswich fringe is the largest area of employment and is almost twice as large as the second largest areas – Sudbury and the A140 Corridor. There is relatively little employment in these sectors in the Bury St Edmunds and Colchester sub-areas within Babergh and Mid Suffolk. The parts of these sub-areas within the study area are largely rural.

4.1.18 This figure shows that the three largest sub-areas all have very well-balanced employment profiles in terms of sectoral make-up. All have employment across a significant range of sectors and none are dominated by a single dominant sector.

Figure 11: Employment by Sub-Area by Sector



Source: LSH analysis of IDBR data

4.2 Population and Labour Supply

4.2.1 Babergh and Mid Suffolk are the two least populous authorities in Suffolk. The population of Babergh is 92,300 people with 52,800 people equivalent to 57% being aged between 16-64 years old. Mid Suffolk has a slightly higher population of 102,700 people with 59% (60,830 people) aged between 16-64 years old. These working age proportions are slightly lower than the national average for England of 63%.

Table 5. Population – Suffolk Authorities

	Population	16-64	%
Babergh	92,341	52,835	57%
East Suffolk	246,058	138,406	56%
Ipswich	139,642	88,819	64%
Mid Suffolk	102,699	60,327	59%
West Suffolk	179,948	110,765	62%

Source: ONS, 2021

4.2.2 The table below shows the population distribution within Babergh and Mid Suffolk divided by the different FEMA areas. This shows around half of Babergh's population resides within the Sudbury sub-area, while 65% of Mid Suffolk's population resides within the Stowmarket A140 Corridor sub-area.

Table 6. FEMA Sub-Area Populations

Babergh	**Population**	**%**
Sudbury	46,462	50%
Ipswich	27,237	29%
Colchester	18,640	20%
Mid Suffolk	**Population**	**%**
Ipswich	17,498	17%
Stowmarket A140 Corridor	66,896	65%
Bury St Edmunds	18,305	18%

Source: ONS, 2021

4.2.3 Both Babergh and Mid Suffolk have economic activity rates lower than the national average (60.9%). This is due to the notably high rate of retired populations (71.3% and 71.5% respectively) – higher than the other Suffolk authorities and much higher than the national average (54.9%). Within the economically active populations of Babergh and Mid Suffolk, unemployment rates are low at 4.2% and 3.4% - compared to a national rate of 5.7%.

4.2.4 Analysis of economic activity at sub-area level shows small changes across the sub-areas in Babergh and Mid Suffolk, however all sub-areas show higher than average levels of retirees and lower than average unemployment.

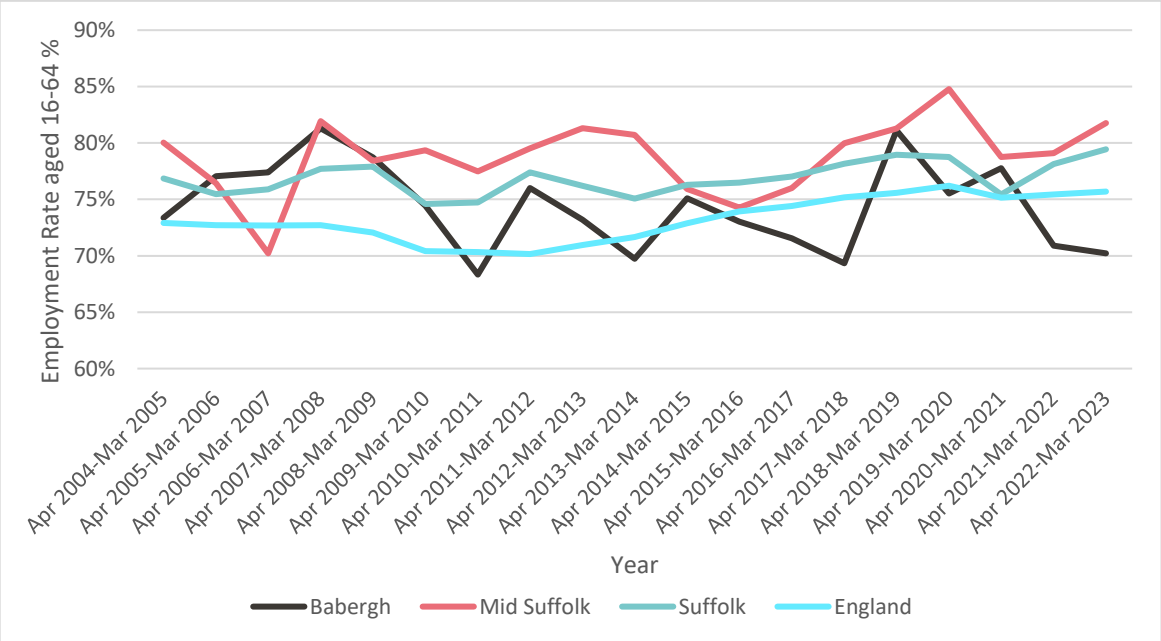
Table 7. Economic Activity

	Babergh	East Suffolk	Ipswich	Mid Suffolk	West Suffolk
Economically Active	**57.9%**	**54.1%**	**63.6%**	**60.0%**	**62.9%**
In Employment	95.8%	95.1%	94.2%	96.6%	96.2%
Unemployed	4.2%	4.9%	5.8%	3.4%	3.8%
Economically Inactive	**42.1%**	**45.9%**	**36.4%**	**40.0%**	**37.1%**
Retired	71.3%	69.5%	53.7%	71.5%	63.4%
Student	7.6%	6.8%	11.3%	7.5%	8.3%
Looking after home / family	9.6%	9.3%	14.0%	9.2%	11.1%
Long-term sick / disabled	6.6%	8.9%	12.4%	6.8%	8.0%
Other	4.9%	5.4%	8.6%	5.0%	9.2%

Source: ONS, 2021

4.2.5 The graph below shows the trend of employment rates (aged 16-64) in Mid Suffolk, Babergh, Suffolk, and England between 2004-2023. This shows greater volatility at local authority level as expected from smaller populations. It shows that Mid Suffolk has consistently tracked above the national and county levels while Babergh has tracked below county levels more in line with national trends.

Figure 12: Employment Rate (16-64 age)



Source: APS, 2023

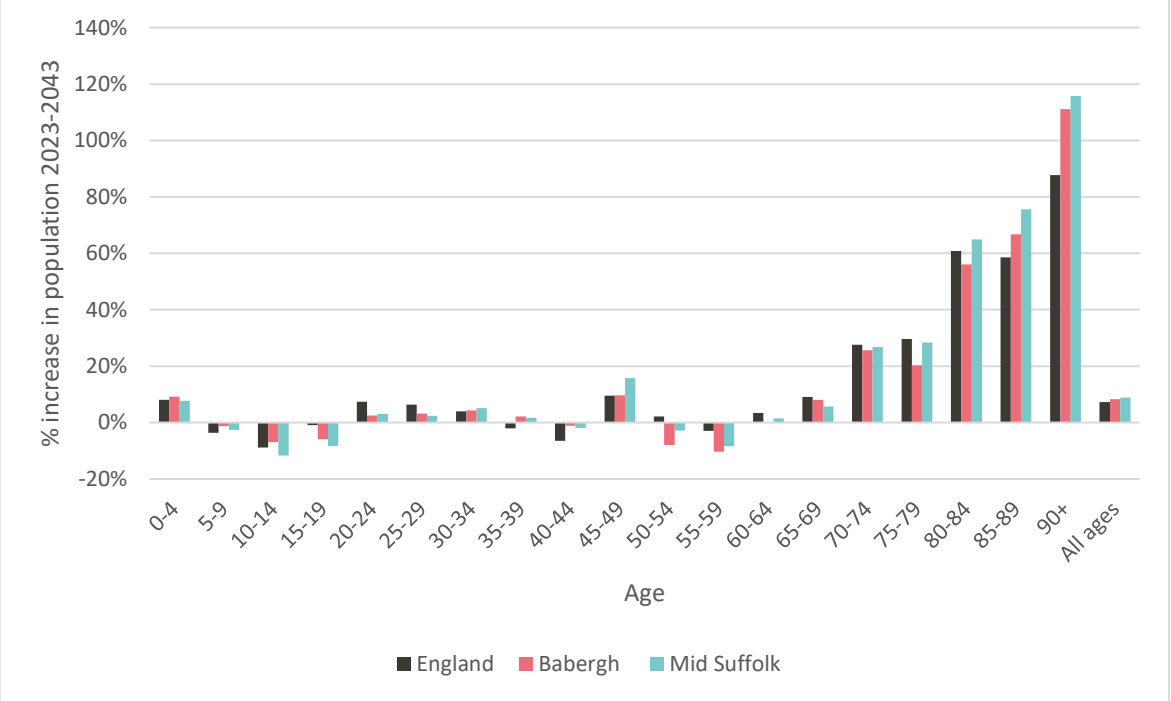
4.2.6 Using the 2018-based Subnational Population projections released in 2020, the increase in population between 2023-2043 for England, Babergh, and Mid Suffolk is broadly similar at 7%, 8%, and 9% respectively as shown in the table below.

Table 8. Population projections 2023-2043 – Babergh, Mid Suffolk, and England

	2023	2043	Increase 2023-2043	% Increase 2023-2043
England	57,557,521	61,744,098	4,186,577	7%
Babergh	94,127	101,923	7,795	8%
Mid Suffolk	106,406	115,846	9,440	9%

4.2.7 The figure below clearly shows the trend of an aging population across Babergh, Mid Suffolk and England whereby the highest population increase will be in the age groups over 65 years old, with population increase in the over 90's being 111% and 116% for Babergh and Mid Suffolk respectively.

Figure 13: Percentage increase in population by age group 2023-2043 – Babergh and Mid Suffolk



Source: 2018-based SNPPs, 2020

4.3 Annual Earnings

4.3.1 The median gross annual, workplace-based earnings are shown in the table below. This indicates that average earnings in Babergh, Mid Suffolk, Suffolk, and England. This shows that average earnings in Babergh are £31,143 which is slightly lower than Mid Suffolk at £32,782. As such, both Mid Suffolk and Babergh are broadly in line with the Suffolk average of £31,351, and lower than the national average of £33,208.

Table 9. Median Gross Workplace Annual Earnings (2022)

	Median Annual Earnings (£)	Median House Price (£)	Affordability Ratio
Babergh	31,143	325,000	10.44
Mid Suffolk	32,782	295,000	9.00
Suffolk	31,351	275,000	8.77
England	33,208	275,000	8.28

Source: ONS, 2023

4.3.2 To provide additional context, the table below shows the average earnings alongside the median house price, and the resulting affordability ratio. This shows that despite average earnings in Babergh being lower than the Mid Suffolk and National average, the house prices are the highest at £325,000, as such housing in Babergh is the least affordable with the ratio being 10.44.

4.3.3 With regard to Mid Suffolk, house prices are also higher than the Suffolk and National average at £295,000 and as such, housing in Mid Suffolk is less affordable than both Suffolk and England.

Table 10. Median Gross Workplace Annual Earnings, House Price, and Affordability Ratio (2022)

	Median Annual Earnings (£)	Median House Price (£)	Affordability Ratio
Babergh	31,143	325,000	10.44
Mid Suffolk	32,782	295,000	9.00
Suffolk	31,351	275,000	8.77
England	33,208	275,000	8.28

Source: ONS, 2023

4.4 Summary

4.4.1 This section provides an assessment of the socio-economic baseline conditions in Babergh and Mid Suffolk. The following conclusions are drawn:

- Babergh and Mid Suffolk have the smallest employment levels out of the Suffolk districts.
- Babergh has higher levels of self-employment and part-time employment. Mid Suffolk has average levels.
- Both districts have higher representation in the following sectors: Agriculture, forestry & fishing, Manufacturing, and Construction. Babergh also has high representation in Retail, Accommodation & food services, and Education. Mid Suffolk also has high representation in the Transport & storage sector.
- There is a concentration of employment in employment related sectors (office, industrial, and warehouse) around the fringes of Ipswich, Stowmarket, Sudbury, and along the A14 corridor. Beyond these key areas there are also large employment sites across the rural areas, particularly within the manufacturing sector, of which around a third relate to the Food and drink manufacturing sector.

- All employment sectors have the most employment within the A14 / Ipswich Fringe sub-area, but also have strong representation in the A140 and Sudbury sub-areas. These sub-areas contain employment across a significant range of sectors and none are dominated by a single dominant sector.
- Babergh and Mid Suffolk also have the smallest population levels out of the Suffolk districts. While this is expected to grow faster than national rates, the majority of the projected growth is in the over 70s age groups.
- As seen in Section 2, there is already significant out-commuting from the districts – most notably to Ipswich and West Suffolk.

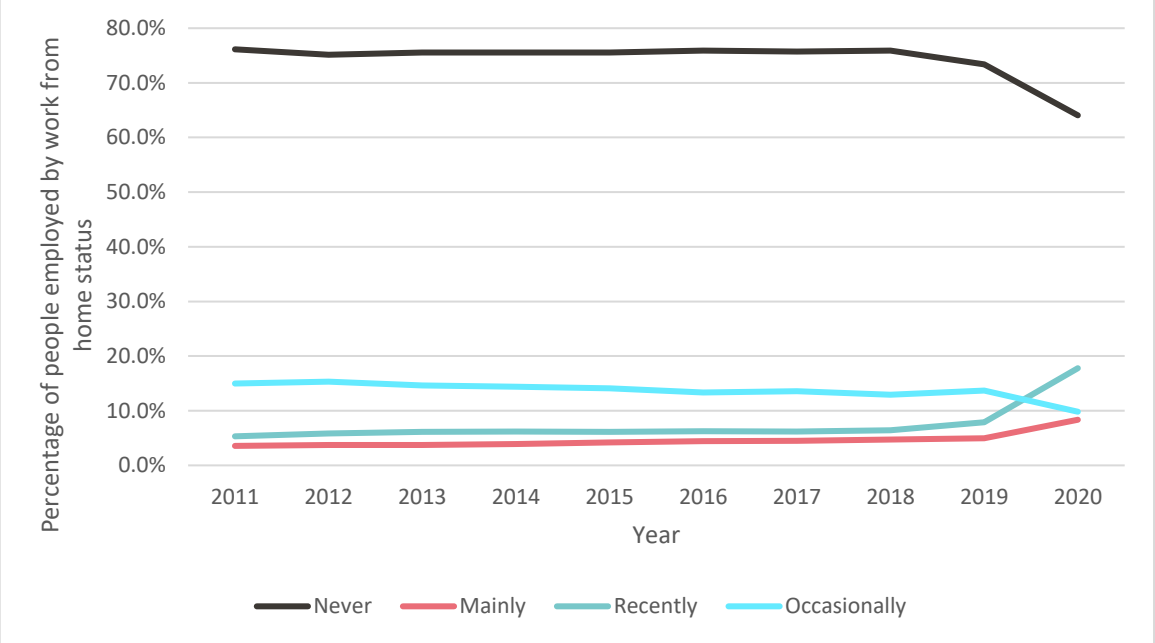
5.0 Changes in Patterns of Home Working

5.1 Longer Term Trends in Home Working

5.1.1 Homeworking has steadily been rising for the past few decades, although this trend has accelerated and risen to prominence since the Covid-19 pandemic and the consequential lockdowns.

5.1.2 The chart below shows the level of homeworking in the UK between 2011 and 2020. This shows that the percentage of employed people mainly working from home rose from 3.6% in 2011, to 8.3% in 2020 when the Covid-19 pandemic first started. Notably, the percentage of people who never work from home has dropped from 76.1% to 64.1% between 2011 and 2020.

Figure 14: Percentage (%) of employed population in each work from home status – 2011-2020 (UK)



Source: ONS, 2020

5.1.3 ONS data from the end of this pre-Pandemic period in 2020 shows Babergh and Mid Suffolk having higher levels of home working compared to UK levels. Both districts had higher levels of workers mainly and occasionally working from home than national averages. Here it should be recognised that this data is taken from a 2020 Office for National Statistics dataset, and as such is likely to start showing the impacts of Covid-19 and the change in the prevalence of homeworking.

Table 11. Percentage of work from home status

	Never	Mainly	Recently	Occasionally
UK	64.1%	8.3%	17.8%	9.8%
Babergh	58.0%	10.0%	14.2%	17.8%
Mid Suffolk	54.7%	9.4%	19.8%	16.1%

Source: ONS, 2020

5.1.4 The table below shows the impact that the Covid Pandemic and related lockdowns had on homeworking. Nationally, across all sectors the level of homeworking jumped from 6% to 51%. The 2020 figures are from during the first national lockdown period where homeworking was strictly enforced unless travelling to a place of work was necessary. As such, this figure represents the highest level of home working, and is probably close to representing a maximum feasible level of homeworking.

5.1.5 It clearly shows the differences in homeworking between different sectors, and the extent to which different sectors can feasibly support largescale homeworking and which cannot. The sectors with the highest levels of homeworking include Information and Communications (15.4%), Real Estate Activities (15.6%), and Professional, Scientific and Technical Activity (13.5%). It is notable that these are all sectors which predominantly occupy office accommodation.

5.1.6 Conversely, the lowest levels of homeworking are projected to be in Transport and Storage (1.9%), Water Supply, Sewerage and Waste (1.9%), Public administration and defence (2.7%), Education (3.0%), Accommodation and Food Services (3.4%), and Health and Social Work (4.1%).

Table 12. Homeworking Levels – Pre, Peak, Post Covid – Nationally

	Pre-Covid (2019)	Peak Covid (2020)
Manufacturing	4.4%	29.5%
Electricity, gas, air cond supply	4.9%	36.4%
Water supply, sewerage, waste	1.9%	36.4%
Construction	4.5%	29.9%
Wholesale, retail, repair of vehicles	3.9%	49.2%
Transport and storage	1.9%	41.1%
Accommodation and food services	3.4%	31.7%
Information and communication	15.4%	75.4%
Financial and insurance activities	5.4%	78.9%
Real estate activities	13.6%	64.7%
Prof, scientific, technical activ.	13.5%	78.9%
Admin and support services	6.0%	43.9%
Public admin and defence	2.7%	78.9%
Education	3.0%	86.0%
Health and social work	4.1%	21.7%
Arts, entertainment and recreation	11.2%	71.1%
Total	6.0%	51.2%

5.2 Changes in Home Working Since the Pandemic

5.2.1 The latest data from ONS shows working practices nationally for the period September 2022 to January 2023. This shows that for all workers, just over half (56%) travel to work only (i.e. and didn't work from home) in the previous week; 16% worked from home only; and 28% did some form of hybrid working[2]. The proportion of home working is double for self-employed workers.

5.2.2 Corresponding ONS data[3] for pre-Pandemic shows that 6% of workers worked mainly from home in 2019 and that this had been increasing very slowly up from 5% in 2012. This highlights the considerable jump in the prevalence in home working and hybrid working due to the Pandemic and highlight how the prevalence of home working has changed since the Pandemic.

Table 13. Location of work by employment status, National

	All persons	Employed	Self-employed	Other
Home working only	16%	14%	32%	20%
Hybrid working	28%	28%	25%	9%
Travelled to work only	56%	57%	43%	71%

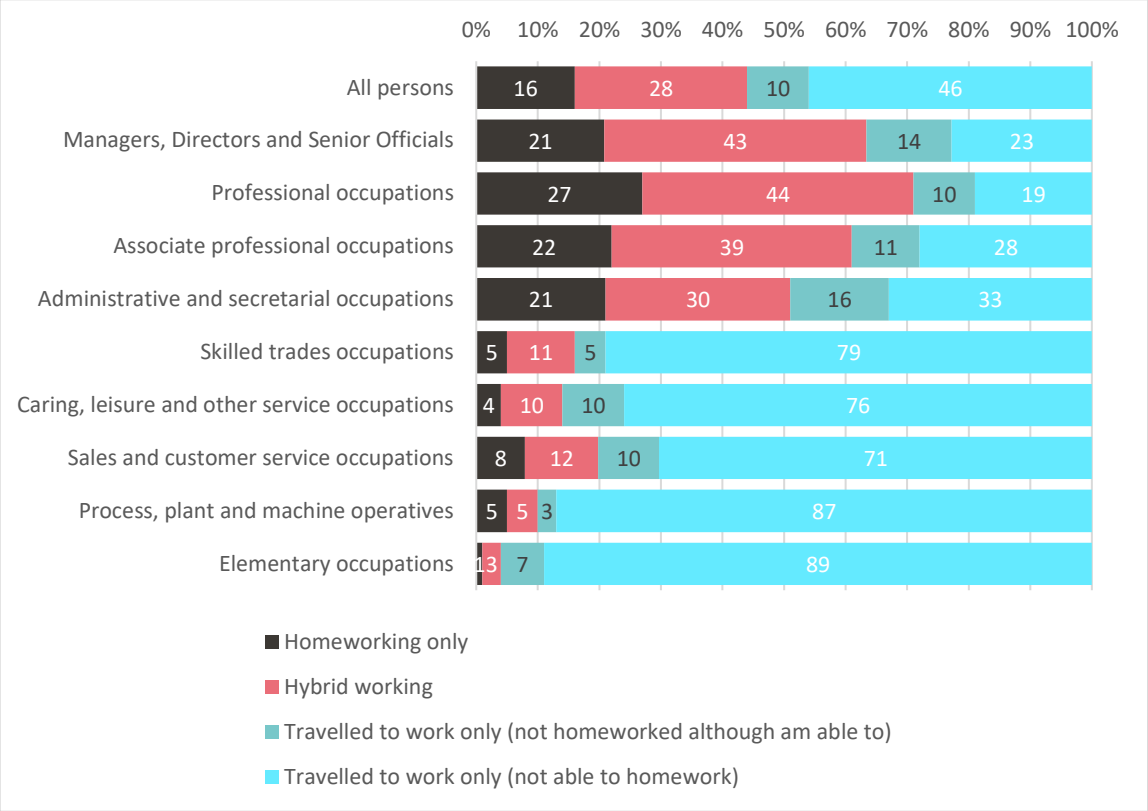
Source: ONS, 2023

5.2.3 The levels of homeworking differ greatly across sector and occupation. The latest ONS figures don't provide a breakdown by industrial sector but do by occupation, shown in the figure below. This shows a stark contrast between occupation groups 1-4 - where the average rate of home or hybrid working is 62% - and groups 5-9 – where the average rate of home or hybrid working is 13%.

5.2.4 The data also breaks down those who travel to their place of work only (i.e. never work from home) into two categories – those who are not able to work from home, and those who are able to but chose not to. The data clearly shows that the majority of those who do not work from home are unable to. Across all occupations, 82% of those who always travel to a place of work cannot work from home.

[2] The ONS definition of a "hybrid worker" as any working adult who has worked at home for at least one day and has also travelled to work for at least one day in the reference week.
[3] ONS, Annual Population Survey 2020

Figure 45: Location of Work by Occupation, National



Source: ONS, 2023

5.2.5 The ONS data shows that the overall levels of homeworking only have increased slightly on pre-Pandemic levels. However, the biggest increase has been the proportions of hybrid workers. However, this is a nebulous term covering a wider range of working patterns ranging from travelling in to work one day per week, to working from home one day per week.

5.2.6 The balance of hybrid working is still something many businesses are exploring and working practices and corporate responses and policies have been constantly changing since the Pandemic. These factors will have a considerable impact in determining future floorspace requirements. LSH have recently undertaken an occupier survey to assess current business practices across a range of office-based industries.

5.3 LSH Occupier Survey

5.3.1 LSH's May 2023 annual office occupier survey provides a snapshot of attendance levels, attitudes to hybrid working and the ongoing impact of shifting work patterns on companies' space requirements. This year's survey builds on a similar exercise performed last year to assess how much has changed, now that more than a year has passed since the final removal of COVID restrictions.

5.3.2 The survey received responses from key occupier clients of LSH representing businesses with a total of more than 100,000 UK staff. Organisations included in the survey range from small companies with fewer than 50 staff to global corporate occupiers with thousands of employees spread across multiple sites nationwide.

5.3.3 A wide range of sectors are represented in the survey, including professional services, TMT, banking & insurance and the public sector. The biggest single occupier group was professional services, which accounted for 37% of the responses.

5.3.4 Results of the occupier survey are summarized below.

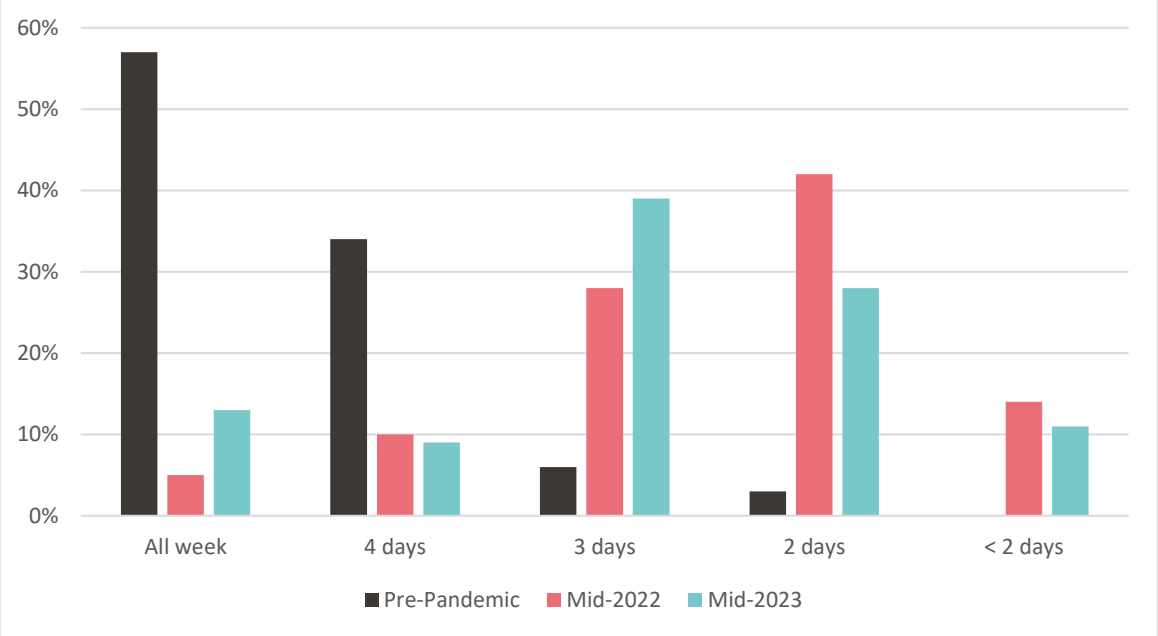
5.4 Survey Findings

5.4.1 The survey results show a tangible increase in office attendance over the past year. When asked to estimate the average number of days per week that staff in their organisations spent in the office, the most common response was three days a week (39%), reflecting an improvement on our 2022 survey, when two days a week (42%) was the most popular answer.

5.4.2 Most respondents in this year's survey (73%) also said that current attendance levels were up on 12 months ago, albeit a large majority of these described the improvement as 'slight'. Just 4% of all respondents reported seeing a return to pre-pandemic attendance.

5.4.3 While the general direction of office attendance is upwards, hybrid working patterns appear to be entrenched. Two or three office days a week is the norm for more than two-thirds of survey respondents; and even if attendance does improve further in the future, a full return to pre-pandemic levels appears highly unlikely.

Figure 16: Average days per week that full-time employees spend in the office



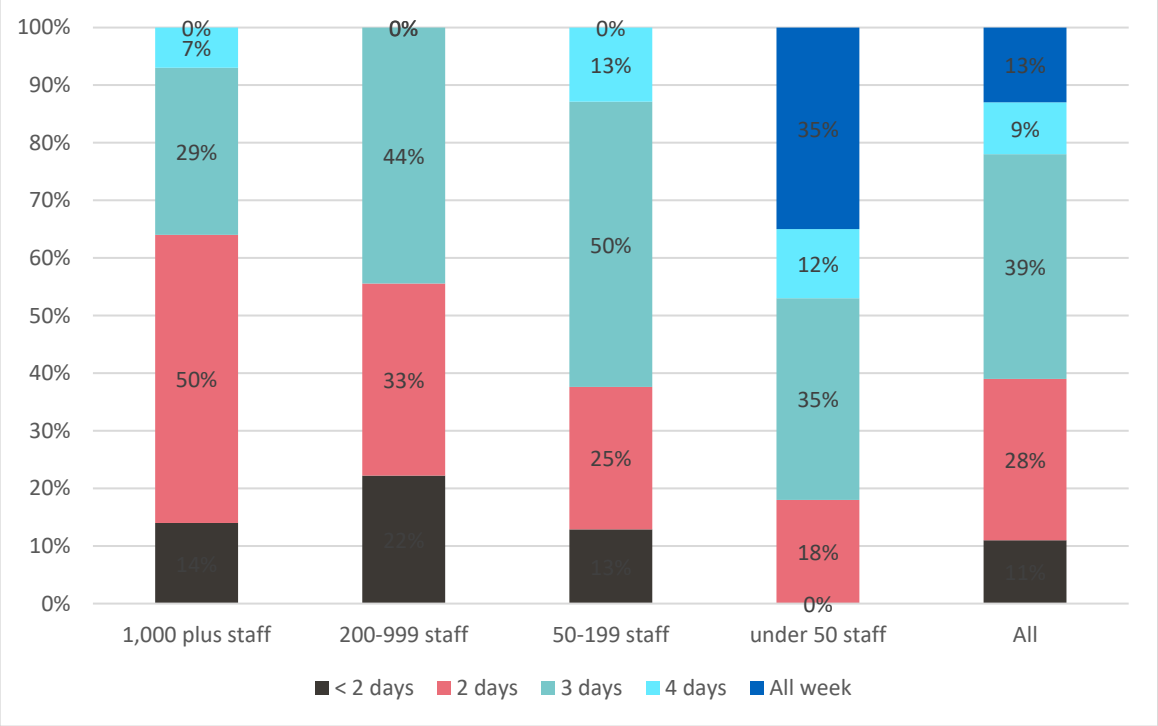
Source: LSH Occupier Survey

5.4.4 One of the clearest trends found by the survey is a divergence between attendance levels in firms of differing size, with smaller companies' employees spending significantly more time in the office than those working for large organisations.

5.4.5 There is a clear trend of greater attendance levels for smaller companies. For companies with fewer than 50 employees, 35% reported full attendance, while 47% reported office attendance of at least four days a week. This contrasts with larger businesses, where attendance levels of four days a week or more are still a rarity and none reported full attendance. This reflects fundamental differences between the needs of smaller and larger firms, with offices seen as essential to the day-to-day operations of many small businesses. Larger companies are more likely to have office space and infrastructure that supports hybrid working, while also employing staff who live across wider geographic areas and benefit from not having to commute daily.

5.4.6 This finding is particularly relevant to Babergh and Mid Suffolk given the high proportion smaller office-based businesses in the area. This suggests that the businesses within the districts are more likely to experience higher staff attendance levels than average.

Figure 17: Average weekly attendance levels by company size



Source: LSH Occupier Survey

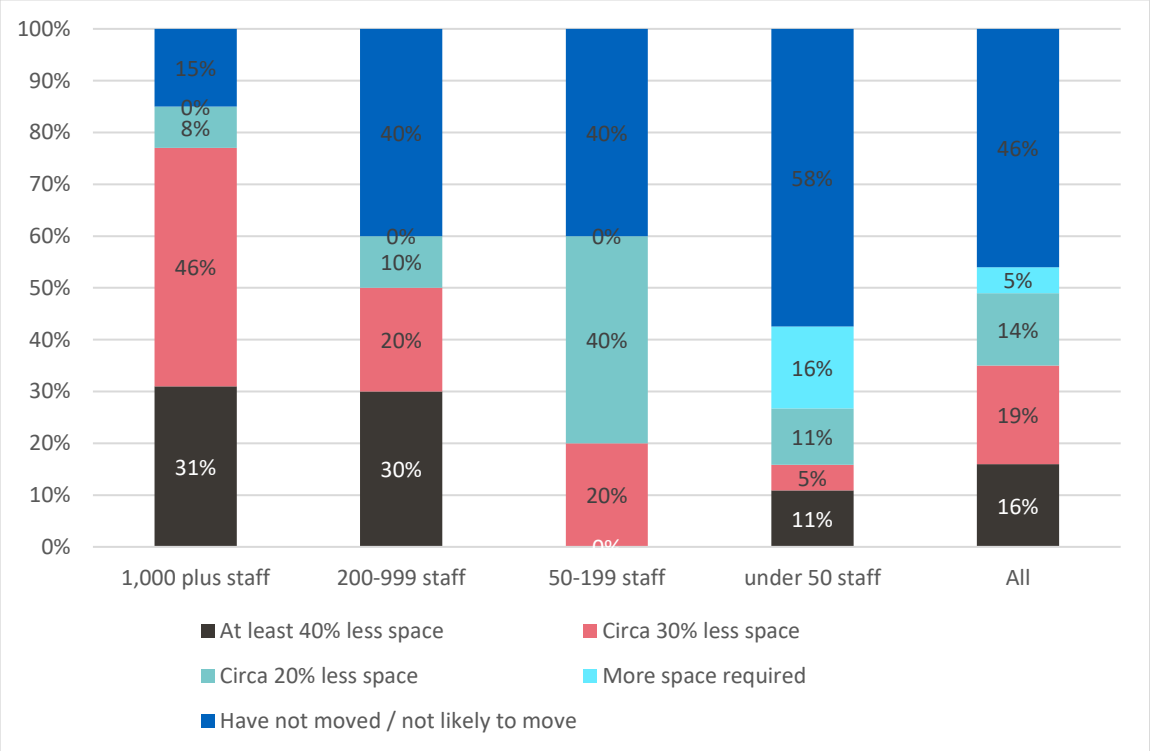
5.4.7 Hybrid working is continuing to impact both the quantity and quality of companies' space requirements, while sharp rises in energy costs and ESG considerations have also added to some firms' motivations to move.

5.4.8 Among survey respondents, 35% said that they had already relocated or consolidated space since the pandemic, while a further 20% indicated that such a decision was now more likely to be made upon a lease event. Notably, however, close to half (46%) of respondents said that they were no more likely to move premises now than had previously been the case.

5.4.9 As with attendance levels, there are clear difference in changing space requirements reported by smaller businesses than by larger businesses. Smaller businesses are less likely to have moved or want to move, and fewer report a reduced space requirement. 27% of businesses with under 50 staff report a reduced space requirement compared to 85% of businesses with 1,000+ staff. 16% of smaller businesses report a need for more space – while none of the larger businesses reported this.

5.4.10 This suggests that in Babergh and Mid Suffolk which has an office business base of predominantly smaller businesses, there is a substantial cohort of businesses for whom the pandemic has actually had little impact on their thinking around office space.

Figure 18: Change in space requirements following the Pandemic and energy price shock



Source: LSH Occupier Survey

5.4.11 Taken together, the answers provided imply **an overall reduction in space requirements of 15-20%** among our survey respondents. If this were repeated nationwide, it would necessitate a contraction in the size of UK office markets, but on a scale that could be achieved relatively organically via the gradual loss of poorer quality buildings from the office stock.

5.4.12 However, the data suggests that the impacts on Babergh and Mid Suffolk might be smaller than average given the larger proportion of small businesses within the districts.

5.4.13 Finding an optimal balance between the cost, quality and size of offices will be an ongoing challenge for occupiers as hybrid working practices continue to evolve. The exchange of quantity for quality is likely to continue, allowing many to upgrade to better space at a lower cost, or at least a cost neutral position, compared with their current workspace.

5.5 Forecasting the Changes in Home Working

5.5.1 The long-term homeworking trend can be used to provide an alternative estimation of future homeworking practices. The Pandemic necessitated a rapid transition into homeworking for many workers and employers. It accelerated the underlying trend in homeworking practices which had been slowly increasing for the decade prior. The Pandemic accelerated the rollout of hardware and software which had previously restricted largescale homeworking, and it saw a change in work culture with greater levels of support for home working than previously.

5.5.2 However, as shown in the survey results, the employer response to 'return to work' has been mixed, a 'new normal' will likely for the majority incorporate some level of hybrid working, and it is a minority of employers who have embraced home working on a permanent basis.

5.5.3 Given the evidence, one approach to estimating future home working levels is to consider that the post-pandemic homeworking will return to an 'accelerated' version of the past trends. This has been estimated by extrapolating the past trends forward to 2040.

5.5.4 This is done for each sector and results in a total proportion of home working of 9.0% by 2040. However, it should be noted that for office-based sectors this proportion is generally higher – the highest is IT and Communications which grows to 23.3% by 2040. Taking an average for predominantly office-based sectors[4] gives an average of 16.0% at national level. This has been modelled for Babergh and Mid Suffolk based on the prevalence of office jobs within the local economy[5] and provides an office homeworking figure for Babergh of 17.0-18.5% and for Mid Suffolk of 14.6-15.3%.

[4] Information and communication; Financial and insurance activities; Real estate activities; Professional, scientific, technical activities; and Admin and support services.

[5] In accordance with the methodology set out in Section 8.

Table 14. Homeworking Levels – Pre, Peak, Post Covid – Nationally

	Pre-Covid (2019)	Peak Covid (2020)	Post-Covid Projection (2040)
Manufacturing	4.4%	29.5%	6.9%
Electricity, gas, air cond supply	4.9%	36.4%	14.1%
Water supply, sewerage, waste	1.9%	36.4%	4.5%
Construction	4.5%	29.9%	7.3%
Wholesale, retail, repair of vehicles	3.9%	49.2%	6.1%
Transport and storage	1.9%	41.1%	2.9%
Accommodation and food services	3.4%	31.7%	2.4%
Information and communication	15.4%	75.4%	23.3%
Financial and insurance activities	5.4%	78.9%	13.3%
Real estate activities	13.6%	64.7%	15.3%
Prof, scientific, technical activ.	13.5%	78.9%	17.8%
Admin and support services	6.0%	43.9%	10.4%
Public admin and defence	2.7%	78.9%	6.2%
Education	3.0%	86.0%	5.8%
Health and social work	4.1%	21.7%	5.8%
Arts, entertainment and recreation	11.2%	71.1%	12.6%
Other service activities	10.2%	no data	13.9%
Households as employers	14.1%	no data	19.8%
Extraterritorial organisations	4.6%	no data	16.6%
Total	6.0%	51.2%	9.0%

5.6 Summary

5.6.1 This section provides a summary of the trends in home working patterns prior to, during, and following the Covid Pandemic. This has resulted in significant changes to home working practices, which has a knock-on effect on business decisions regarding new models of working and the requirement for office floorspace.

- There has been a considerable jump in the prevalence in home working and hybrid working due to the Pandemic and this continues to be seen principally in office-based occupations and industries.
- Office occupancy levels have been slowly returning post-Pandemic, however just 4% of businesses report seeing a return to pre-pandemic office attendance. Hybrid working patterns are now entrenched with the majority of businesses reporting office-based staff are attending a place of work two or three days a week and working from home the remainder.
- Around half (52%) of businesses have implemented measures to improve office attendance, suggesting a desire to continue to drive up attendance. However around half (48%) have taken to specific actions.
- This has an impact on floorspace requirements of office occupiers. Nearly half of businesses state they are more likely to relocate due to the Pandemic than they would otherwise. Among those who have moved the majority took less space than previously.

- The data suggests that changes to home working might result in an overall reduction in office space requirements nationally of 15-20%, but the business profile in suggests this might be lower Babergh and Mid Suffolk.
- Forecasting an increase in homeworking for based on an acceleration of previous trends and Babergh and Mid Suffolk's industrial profile suggests a reduction in Babergh of 17.0-18.5% and for Mid Suffolk of 14.6-15.3%.

6.0 PATTERNS OF SUPPLY AND LOSS

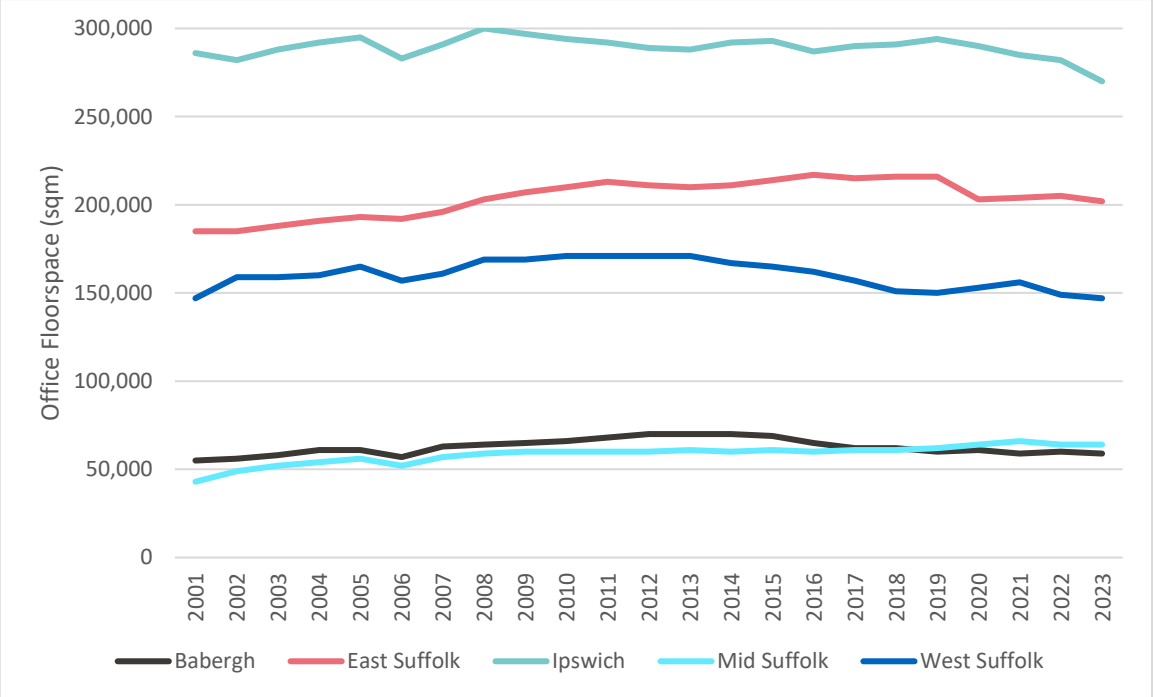
6.1.1 This section provides an overview of the patterns of completions and losses of office and industrial space across Babergh and Mid Suffolk.

6.2 Office and Industrial Floorspace Trends

6.2.1 The figure below shows the quantum of office floorspace in the Suffolk authorities and how this has changed since 2001. As of 2023 Babergh has around 59,000 sqm of office floorspace and Mid Suffolk has 64,000 sqm. The districts have the lowest provision of all the Suffolk authorities with Babergh contributing 8% of the Suffolk total and Mid Suffolk 9%.

6.2.2 Over the past ten years Babergh has seen a net loss of 11,000 sqm of office floorspace – a 16% reduction on stock levels in 2013 and an annual loss rate of -1.7% per annum. This is higher than the average rate of loss seen across Suffolk since 2013 where there has been a 7% reduction in office stock levels. Conversely, Mid Suffolk has seen a net growth in its office stock of 3,000 sqm or 5% on 2013 levels. Mid Suffolk is the only district in Suffolk to see positive growth over this period.

Figure 19: Office Floorspace Trend



Source: VOA 2023

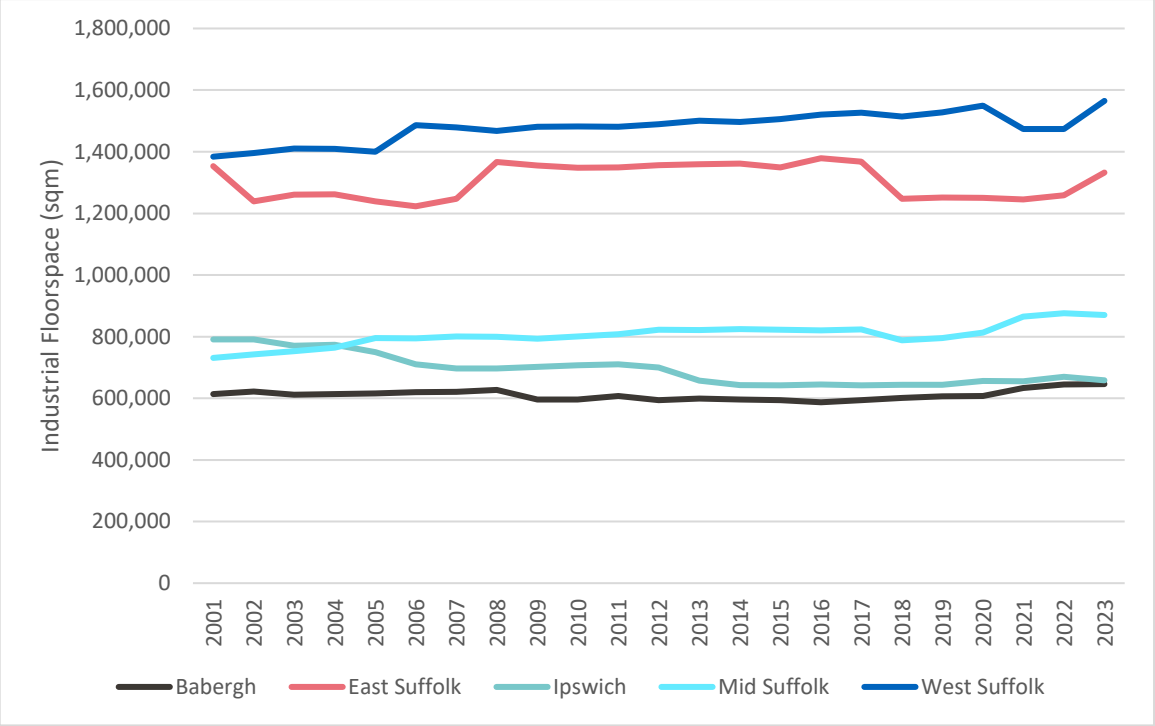
6.2.3 The figure below shows the quantum of industrial[6] floorspace in the Suffolk authorities and how this has changed since 2001.As of 2023 Babergh has around 646,000 sqm of industrial floorspace accounting for

[6] The VOA Industrial properties sub-sector includes general industrial, and storage and distribution uses.

13% of the Suffolk total. This is the lowest of the authorities along with Ipswich. Mid Suffolk has 870,000 sqm accounting for 17% of the Suffolk total.

6.2.4 Over the past ten years Babergh has seen a net gain of 47,000 sqm of industrial floorspace – an 8% increase on stock levels in 2013 and an annual growth rate of 0.8% per annum. This is the highest growth rate of any of the Suffolk authorities over this period. By comparison the Suffolk growth rate was 0.3% per annum. Mid Suffolk had a similar quantum of growth in its industrial stock of 49,000 sqm over this period, reflecting a slightly lower growth of 6% on 2013 levels (0.5% per annum) due to its higher starting point. Mid Suffolk has the recorded the second highest growth rate of any of the Suffolk authorities over this period.

Figure 20: Industrial Floorspace Trend

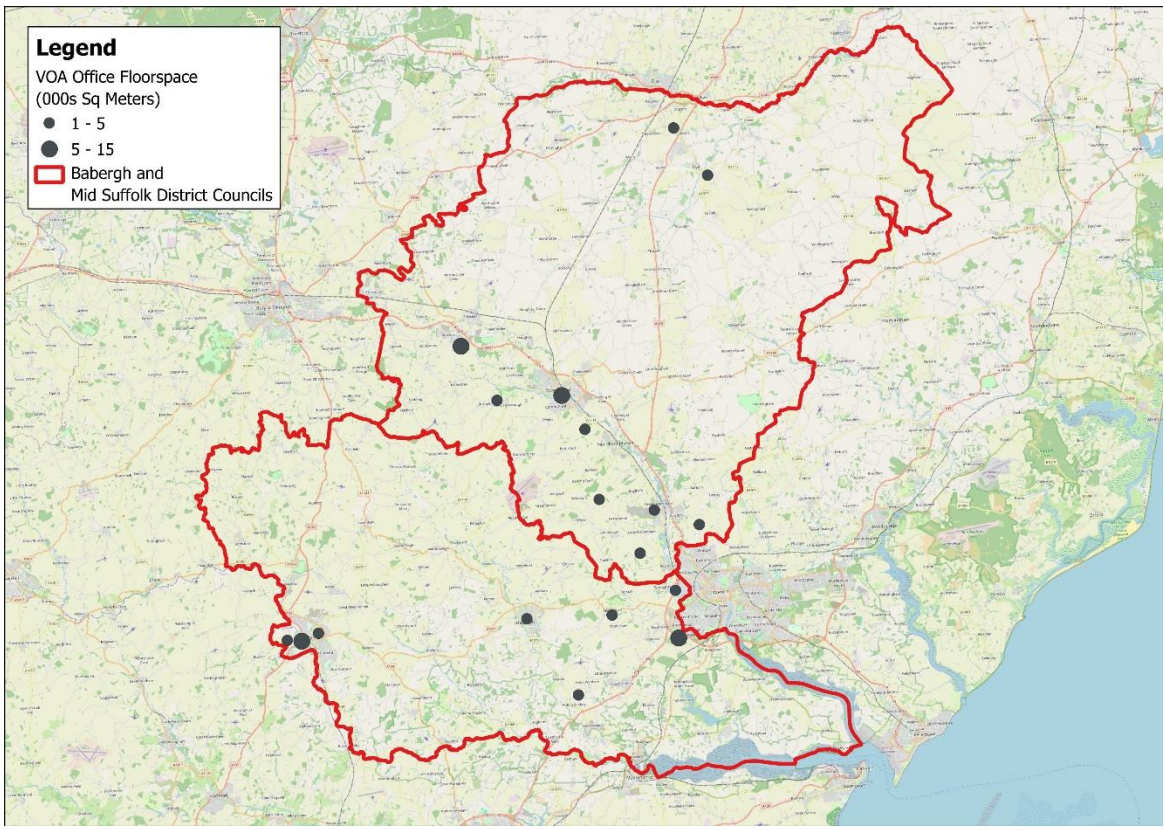


Source: VOA 2023

6.2.5 The figure below shows the location of office floorspace across Babergh and Mid Suffolk districts. This shows the distribution in Babergh office floorspace is concentrated on the western edge of Ipswich and in Sudbury with smaller pockets in the rural areas. In Mid Suffolk there is a corridor of office space along the A14 with smaller concentrations further up the A140.

6.2.6 The historic data shows that office losses have been geographically spread across the districts with no location seeing a particular concentration of losses over this period.

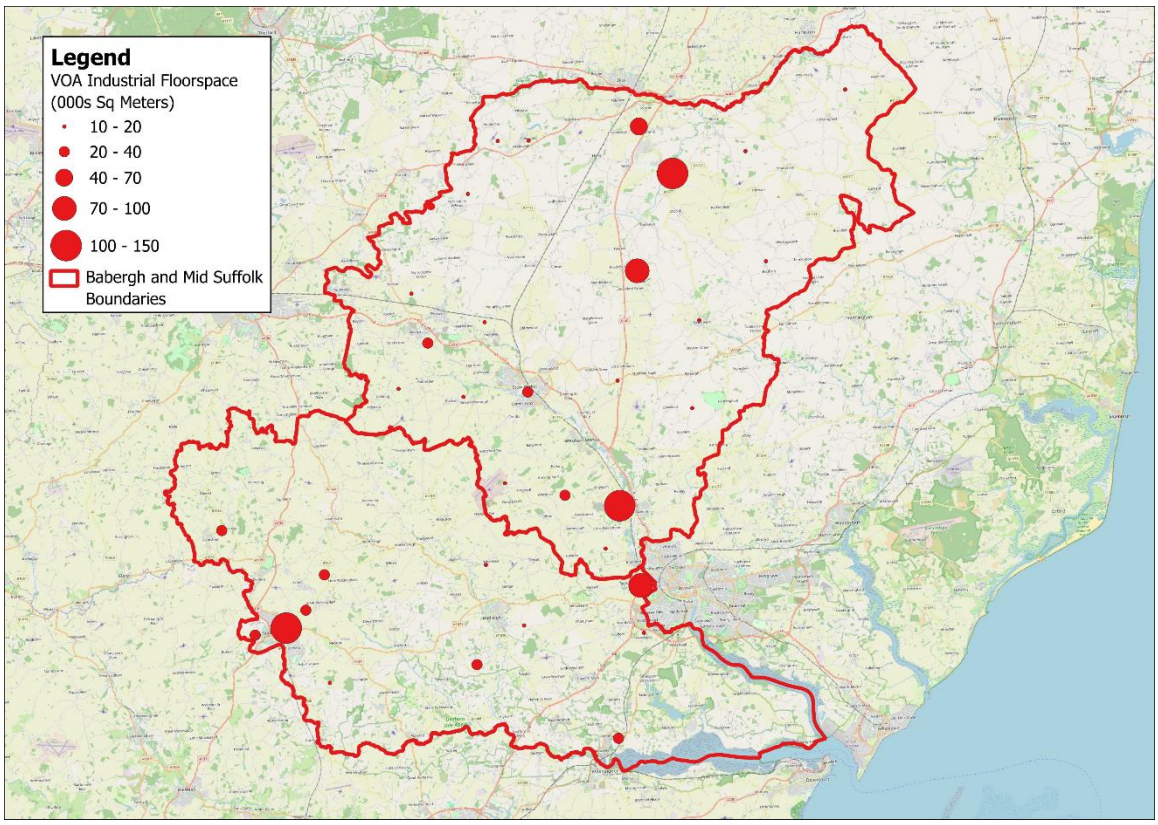
Figure 21: Location of Office Floorspace



Source: Analysis of VOA 2023

6.2.7 The figure below shows the location of industrial floorspace across Babergh and Mid Suffolk districts. For Babergh, this shows a similar distribution of floorspace to the office data with concentrations of industrial floorspace on the edge of Ipswich and in Sudbury with smaller pockets across the rural areas. For Mid Suffolk, industrial space is focussed along the A140 corridor with large concentrations at the north of the district (Eye Airfield) and the south at Great Blakenham.

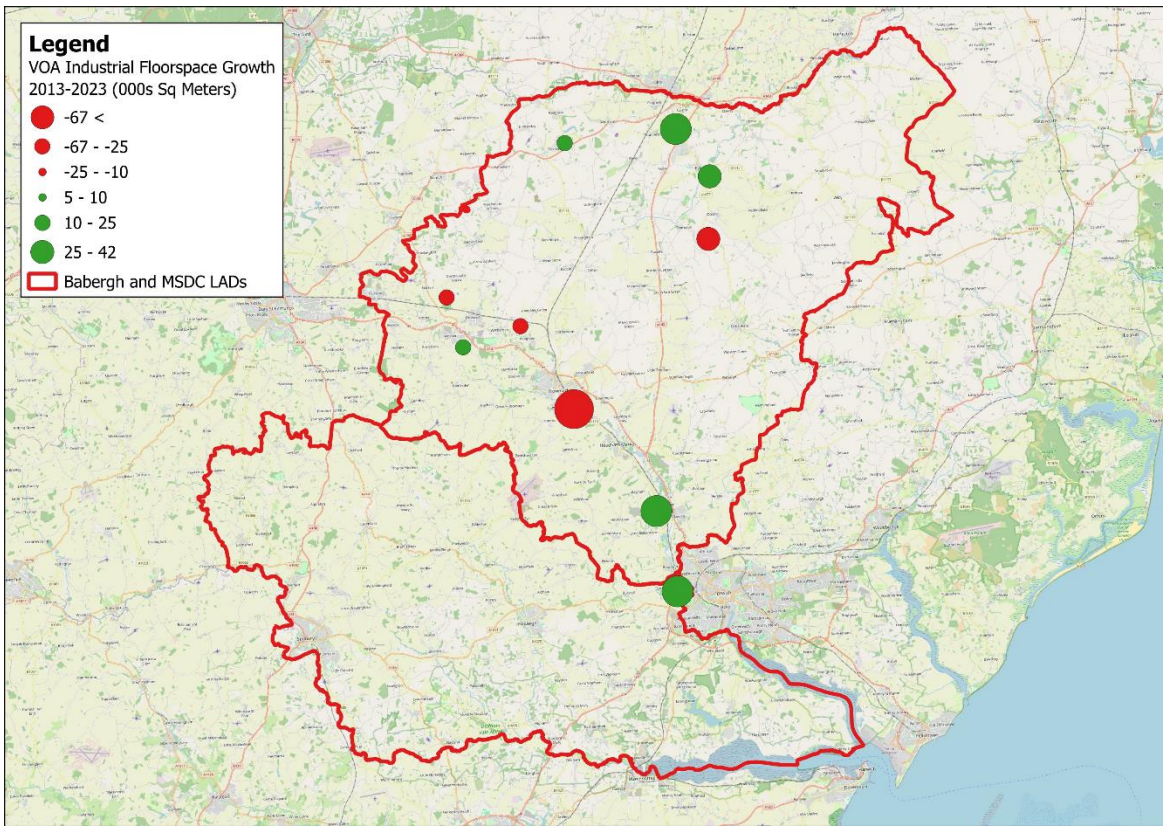
Figure 22: Location of Industrial Floorspace



Source: Analysis of VOA 2023

6.2.8 The figure below shows the locations which have seen the largest industrial floorspace change (net gains and losses) since 2013. It is notable that there has been far more activity (both gains and losses) in Mid Suffolk than in Babergh where the only substantial gains have been at Sproughton on the edge of Ipswich. This helps to contextualise the district-wide figures set out above which show the net changes, while Mid Suffolk has seen considerable churn not picked up by the net figures.

Figure 23: Location of Industrial Floorspace Growth 2013-23



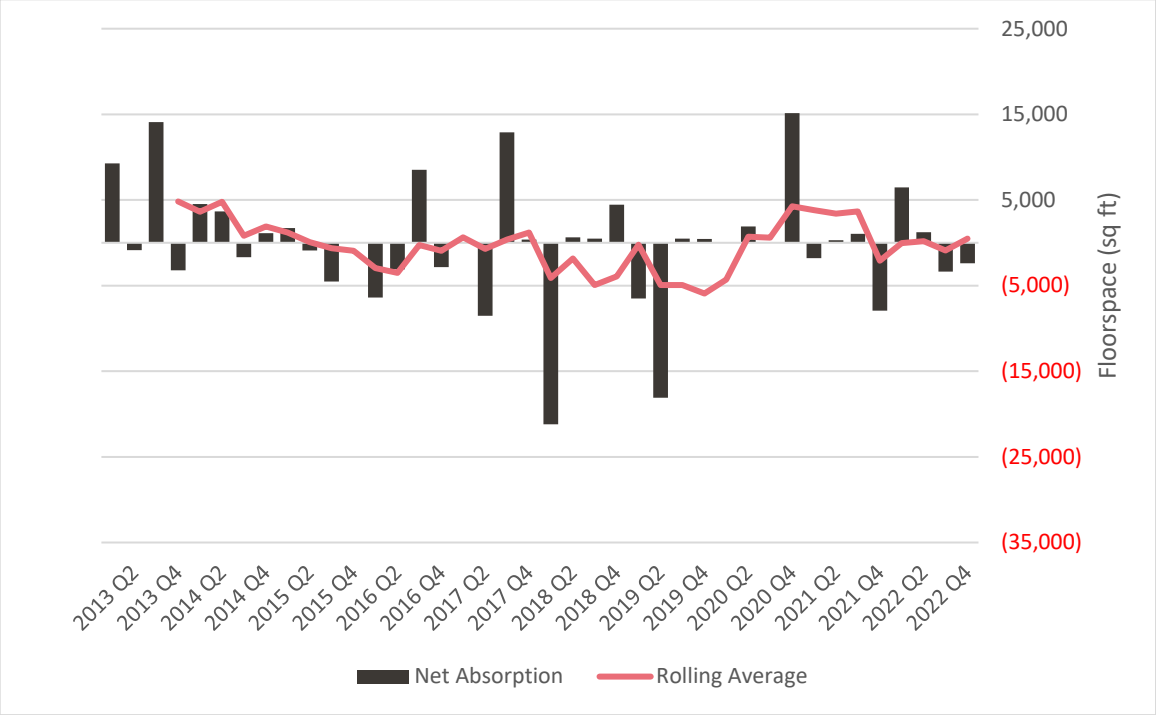
Source: Analysis of VOA 2023

6.2.9 The figures below show the net absorption of office floorspace in Babergh and Mid Suffolk since 2013. Net Absorption measures the total additional floorspace taken (indicated as a move-in) less the total space vacated (indicated as a move-out) over the past decade. Lease renewals of existing space are not factored into net absorption unless the lease renewal includes the leasing of additional space, in which case that additional space is counted. The figures are shown quarterly with a rolling average of the previous four quarters.

6.2.10 For office floorspace, both Babergh and Mid Suffolk have a slightly negative net absorption over the past ten-year period. The data shows fluctuations with positive net absorption generally correlating to the delivery of new floorspace. However, this has been offset by the general trend of losses of office floorspace over this period resulting in the overall figures which are slightly negative for both districts: -4,500 sqft for Babergh and -11,400 sqft for Mid Suffolk.

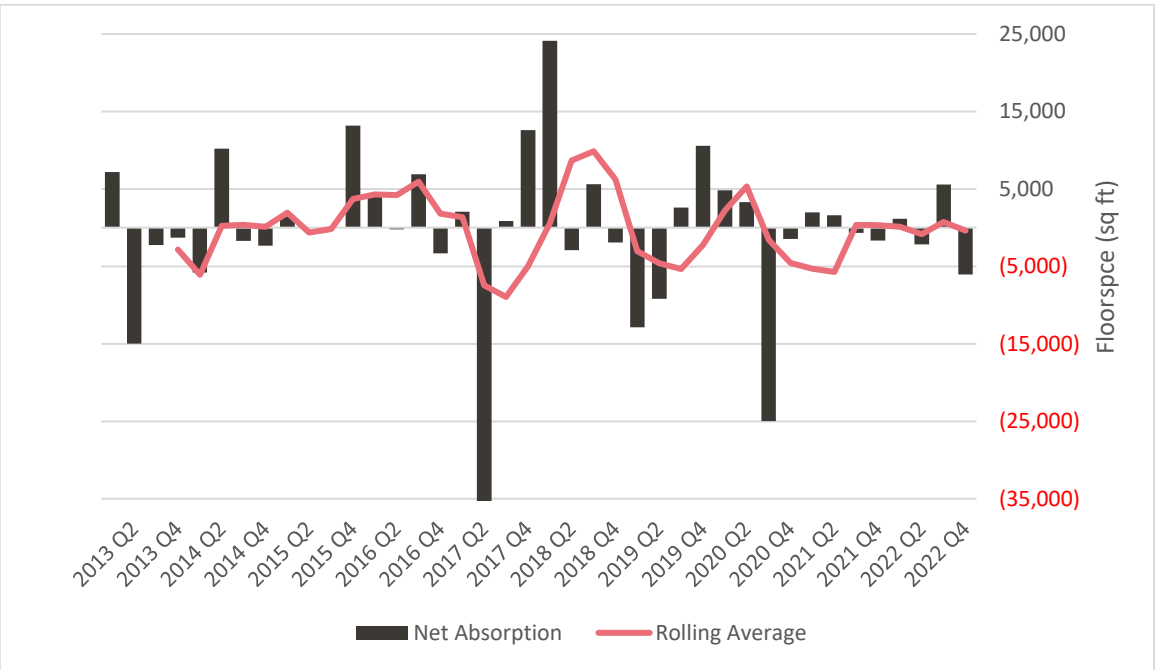
6.2.11 This has resulted in decreasing vacancy rates in Mid Suffolk which have reduced from around 4-5% in 2013 to around 1% by the end of 2022. This rate of decline is worse than seen across Suffolk as a whole and the vacancy rate in Mid Suffolk by the end of this period is well below the Suffolk rate at around 3%. In Babergh vacancy rates have generally ranged between 3-4% throughout the period and by the end of this period broadly correlate with the Suffolk rate.

Figure 24: Net Absorption – Babergh Offices



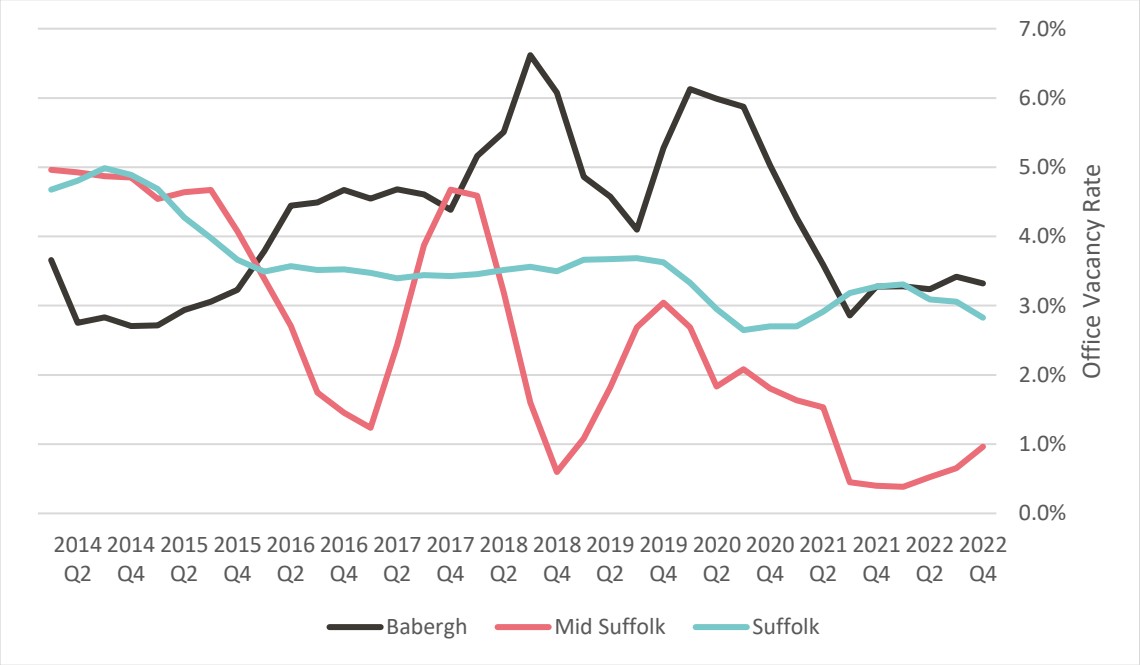
Source: CoStar

Figure 25: Net Absorption – Mid Suffolk Offices



Source: CoStar

Figure 26: Office Vacancy Rate



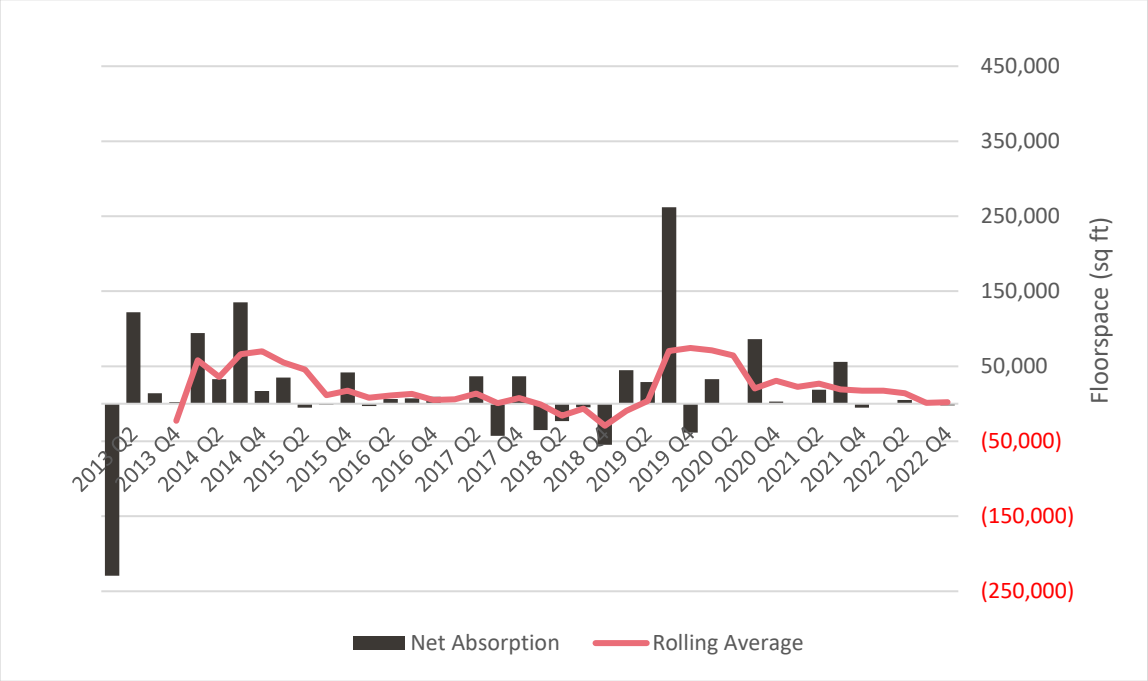
Source: CoStar

6.2.12 The figures below show the net absorption of industrial floorspace in Babergh and Mid Suffolk since 2013. These show a more positive rate of net absorption than the office figures. In Babergh there was an average net absorption of 68,700 sqft per annum over this period while in Mid Suffolk this figure was 125,000 sqft. This includes the take-up of existing and new floorspace and also vacations.

6.2.13 This reflects the continual delivery of industrial floorspace in both districts over this period as well as the take-up of existing vacant space. This has resulted in industrial vacancy rates dropping considerably throughout this period which was a trend seen across Suffolk as a whole but particularly in Babergh and Mid Suffolk. Mid Suffolk has consistently seen industrial vacancy rates below 1% during this period, while Babergh has tracked closely with the Suffolk trend until recently where vacancy rates have dropped to almost zero.

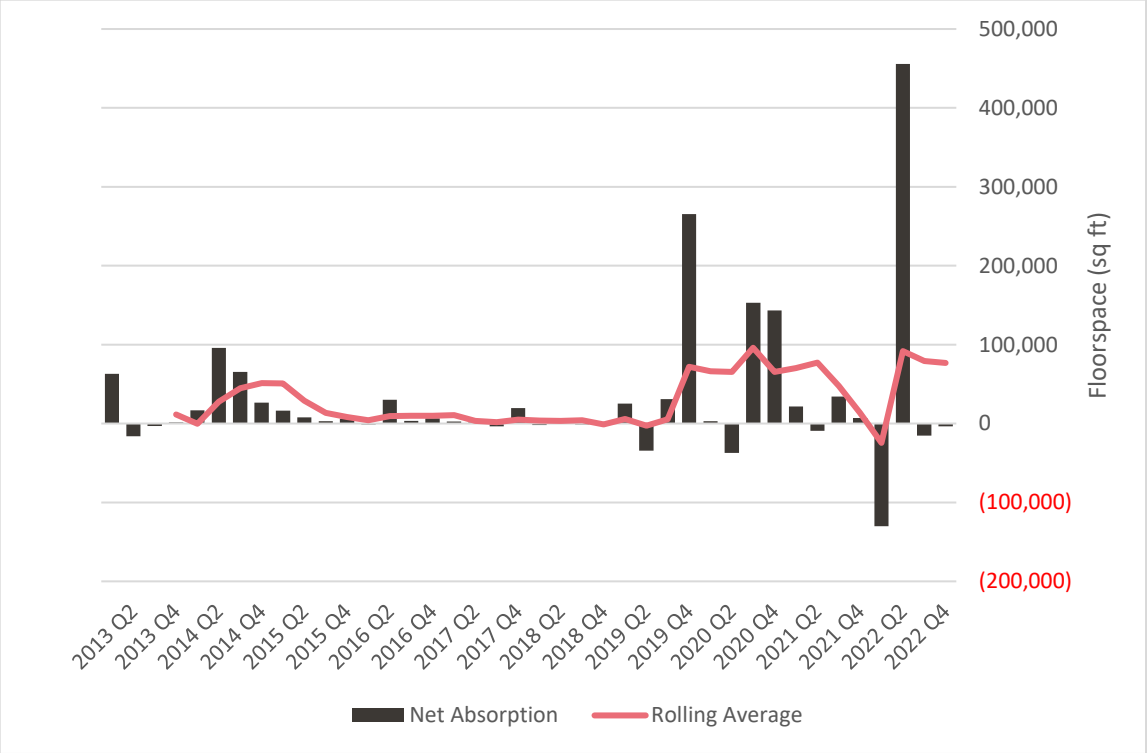
6.2.14 This data shows fluctuations in rates of delivery, as you would expect, from data comprising the delivery of larger sites. The only data point which could be considered to represent an outlier would be Q2 2022 which includes the delivery of nearly 300,000sqft at Port One Logistics Park.

Figure 27: Net Absorption – Babergh Industrial



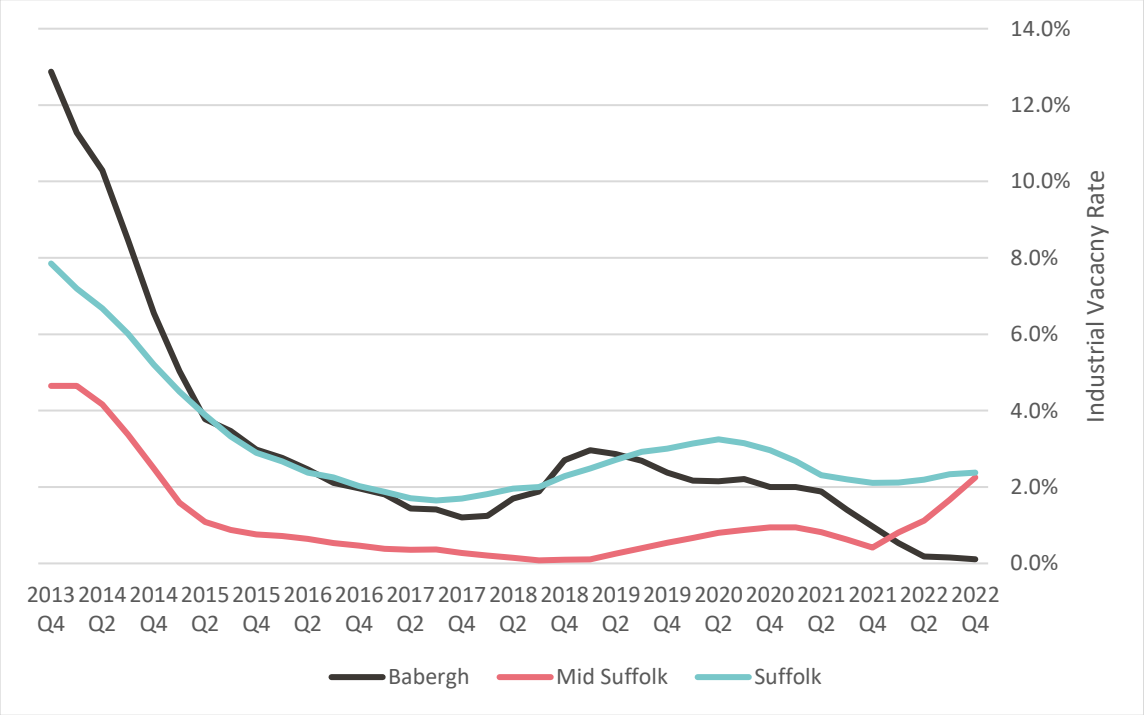
Source: CoStar

Figure 28: Net Absorption – Mid Suffolk Industrial



Source: CoStar

Figure 29: Industrial Vacancy Rate



Source: CoStar

6.3 Take-Up of Employment Land

6.3.1 Planning Policy Guidance directs *"strategic policy making authorities … to develop an idea of future needs based on a range of data which is current and robust."* An *"analysis based on the past take-up of employment land and property"* is listed as one of these sources of data and is a recognised approach to calculating employment need.

6.3.2 LSH has used Google Earth images of employment areas to identify the location of past development and the period in which it occurred. These periods are defined by the dates of the mapping and imaging, which can vary across the districts. So, whilst it may not be possible to identify with accuracy the year in which take-up took place, the method comprehensively records and accurately measures take-up over identified periods. From this, average annual take-up rates can be calculated and understood in the context of macro-economic trends. Boundaries of development sites have been checked against Land Registry title information for greater accuracy.

6.3.3 Employment areas have been identified using the Councils' Joint Local Plan Part 1 Policies Map and the 'supplementary policy map inset (November 2023). These identify 'strategic employment sites' and 'neighbourhood plan employment sites'. Our research has identified some instances of take-up for employment outside allocated employment areas. Town centre office development can be overlooked by

a study focussing on employment areas. To mitigate this risk we have used CoStar to identify office buildings built since 2000 in the districts.

6.4 Definitions

6.4.1 The purpose of assessing past take-up is to inform the appropriate allocation of employment land. It is important to keep this purpose in mind when considering what constitutes take-up. Specifically, take-up does not equate to development as it is defined in the Town & Country Planning Acts. Thus, for instance, changes of use are excluded as these do not deplete the supply of employment land.

6.4.2 We define take-up as the development or first occupation of a site. Depots used for storage or yards used for fabrication, dismantling, or other processes are regarded as take-up when first occupied; subsequent changes in occupation or use are excluded. Where buildings are demolished and the site is redeveloped, this constitutes take-up.

6.4.3 Take-up occurs at the point at which construction of a building commences. It is at this point that the land ceases to be available for alternative development proposals. Where a developer builds out in separate phases (rather than on a continuous rolling programme), take-up occurs at the start of each phase.

6.4.4 A consistent approach should also be taken in the treatment of expansion land. We have assumed that where a company occupies business premises and owns adjoining land for expansion, that land is not available to the wider market and its take-up is deemed to have occurred at the same time as that of the occupied part of the site. Extensions to existing premises are therefore excluded from take-up unless they occur on land outside the curtilage of the existing site.

6.4.5 In practice it can be difficult to identify, particularly retrospectively, whether expansion has taken place on land previously owned by the business or whether adjoining land has been bought by the business to enable the expansion (which would qualify as take-up). Land Registry searches and discussions with the companies involved can sometimes establish the facts, but with the passage of time this becomes more difficult. Such searches are beyond the scope of this study. Where we have direct knowledge, or where historic imagery shows fence-lines that exclude the expansion land, we have assumed that the land was not previously within the ownership of the business, and that the extension constitutes take-up.

6.4.6 Where expansion land is declared surplus to requirements by the owner then it effectively becomes available again to the wider market.

6.4.7 When using both economic forecasts and past take-up to estimate future demand for land, care should be taken in ensuring that the treatment of expansion land is consistent. Forecasts based on employment growth may assume that some growth will be accommodated on expansion land.

6.4.8 When comparing availability and take-up, a consistent approach to the measurement of sites should be maintained. Take-up of employment land is typically recorded on a plot by plot basis, which equates to a net developable area. To be consistent, availability should be measured on the same basis. So when assessing the size of available sites, gross to net adjustments may be appropriate in some, but not all, cases.

6.5 Take-Up in Babergh

6.5.1 The most recent Google Earth imagery across Babergh ranges from 2020 to 2023. The most recent imagery of employment areas is typically March 2022 but where we have market knowledge of more recent development activity this has been included. Take up is thus recorded over a 23 year period since 2000. Over this period around 40.6 hectares of land has been taken for employment purposes. This equates to around 1.8 hectares per annum.

6.5.2 The rate of take-up has not been consistent over this period. The table below compares take-up over three periods. Whilst the choice of these periods has been determined by the availability of aerial images, the average rates of take-up reflect the changing economic and fiscal environment over this period.

Table 15. Take-up of Land for Employment in Babergh, 2000-2023

	2000-07	2007-15	2015-23	Total
Take-up (ha)	16.84	6.30	17.46	40.60
Years	7	8	8	23
Hectares p.a.	2.4	0.8	2.2	1.8

6.5.3 At the start of the millennium the UK enjoyed an unusually prolonged period of economic growth when there was ready access to development finance and rising rents improved the viability of development. Between 2000 and 2007 take-up in Babergh averaged 2.4 hectares per annum.

6.5.4 In September 2007, the run on Northern Rock signalled the oncoming credit crunch and the recession of 2008-09. Across the UK, finance for development was withdrawn, development activity ceased, and property values fell. The recession was followed by 'austerity', several years of weak economic growth, when demand for property was weak and values were stagnant. Construction costs continued to increase, and the viability of property development was undermined. Between 2007 and 2015 take-up in Babergh fell to 0.8 hectares per annum, less than a third of its pre-recession rate.

6.5.5 Property markets started to recover from 2015. The Brexit vote caused a temporary shock to the market, but then increased demand for warehousing as businesses used stockpiling to mitigate disruptions to importing and exporting. At the same time, the COVID-19 pandemic bolstered demand for logistics premises, as the shift to online shopping accelerated.

6.5.6 In Babergh, the two largest developments of the last 23 years took place at Eastern Gateway Enterprise Park (on the site of the former sugar beet factory at Sproughton Road, Ipswich); here the LDH distribution centre was constructed on 5.89 hectares in 2019 and an Amazon distribution centre was constructed on 5.77 hectares in 2020. Five smaller units are under construction on another 3.30 hectares at Eastern Gateway helping to boost average take-up in the district to 2.2 hectares per annum over the last eight years. If measured over the five year period 2018-2022 the annual average increases to 3.3 hectares.

6.5.7 Take-up is recorded by employment use class, as shown in the table below. This shows that in Babergh around half the built employment development has been for industrial use (17.6ha) and half for warehouse use (17.9ha) with a very small quantum of office space delivered contributing about 1% of total take-up.

6.5.8 The past take-up figures can be used to provide a projection for future employment land take-up in Babergh – assuming take-up rates continue in line with historic trends. This projection is based on data for the full period 2000-23 as this best reflects a full market cycle as detailed above. This shows a projected employment land need for Babergh of 21.8ha, which is almost entirely industrial/warehouse uses.

6.5.9 In addition to land for built development, there has also been take-up of sites for open employment uses – such as open storage, vehicle depots, skip storage, etc. Projecting forward demand for these types of uses shows an additional demand for 3.0ha of employment land in the district. This element is separated out as it is not identified in the other (labour demand) forecasts.

6.5.10 Adding all of these elements together shows a total projected demand for Babergh of 24.7ha for the Plan period.

Table 16. Take-up of Employment Land in Babergh by Type

	Total 2000-23 (ha)	Annual (ha)	Projection (ha)
Office	0.4	0.0	0.2
Industrial	17.6	0.8	10.7
Warehouse	17.9	0.8	10.9
Total Built	**35.8**	**1.6**	**21.8**
Open	4.9	0.2	3.0
Total	**40.6**	**1.8**	**24.7**

6.6 Take-Up in Mid Suffolk

6.6.1 Google Earth imagery across Mid Suffolk covers the period 1999 to 2022. In some locations imagery is regularly updated but in others there can be extensive gaps, notably between 2007 and 2017. The most recent imagery of employment areas is typically March 2022 but where we have market knowledge of more recent development activity, we have included take-up that is likely to have occurred in 2022 but we have ignored later development. Take up is thus recorded over a 23-year period from the end of 1999 to the end of 2022. Over this period around 88.1 hectares of land has been taken for employment purposes, equating to 3.8 hectares per annum.

6.6.2 Our assessment includes the Wickes and Travis Perkins retail warehouse at Gipping Way, Stowmarket which are typically regarded as use class B8. Our assessment excludes take up by Sterling Suffolk of 23 hectares at Bramford where the building is for horticultural use and a car showroom at Airfield Industrial Estate, Eye. Half of all take-up for employment in Mid Suffolk has occurred in the most recent five year period (2017-2022), when it has averaged 7.3 hectares per annum.

6.6.3 Take-up is largely concentrated in the settlements alongside the A14 Ipswich to Burys St Edmunds dual carriageway and at Eye where Airfield Industrial Estate is situated beside the A140.

Table 17. Take-up of Land for Employment in Mid Suffolk, 2000-2022

	1999-07	2007-17	2017-22	Total
Take-up (ha)	31.22	20.20	36.68	88.10
Years	8	10	5	23
Hectares p.a.	3.9	2.0	7.3	3.8

6.7 Relationship Between Completions Trend Forecast and Freeport Growth Scenario

6.7.1 A Freeport Growth Scenario has been developed (see Section 10 of this report) which estimates the employment land requirement linked to Freeport development. This scenario considers the additional floorspace required to support the additional direct jobs at Freeport Tax and Customs sites as well as the additional jobs in the wider supply chain.

6.7.2 There are two Freeport Tax and Customs sites within the Babergh and Mid Suffolk area, both of which are in Mid Suffolk district – Gateway 14 and Port One Logistics Park. These will be contributing to meeting the needs arising from, and related to, the Freeport. Occupiers at these sites will be assessed to ensure that these jobs will be additional to the baseline.

6.7.3 Gateway 14 and Port One Logistics Park should therefore be treated as meeting port related needs rather than meeting local needs.

6.7.4 This means that equally these sites should not contribute to the calculation of local needs, such as in the completions trend-based approach above, as they are also included within the Freeport Growth Scenario. Including this within the forecasting data would mean that this site is being double counted.

6.7.5 However, some of the development at Port One Logistics Park is recorded within the data for Mid Suffolk. Development at Gateway 14 is not included in the data as this was not within the data monitoring period.

6.7.6 Therefore, the completions at Port One Logistics Park have been excluded from the forecasting data for Mid Suffolk. In total these comprised 12.1ha of warehouse development.

6.7.7 Take-up is recorded by employment use class, as shown in the tables below and overleaf. The table below showing all completions in Mid Suffolk and the table overleaf showing completions excluding the Freeport Customs and Tax sites.

6.7.8 The past take-up figures can be used to provide a projection for future employment land take-up in Mid Suffolk – assuming take-up rates continue in line with historic trends. Using the data excluding the Freeport Customs and Tax sites, the forecast shows a projected employment land need for Mid Suffolk of 39.1ha, which is mostly industrial/warehouse uses.

6.7.9 In addition to land for built development, there has also been take-up of sites for open employment uses – such as open storage, vehicle depots, skip storage, etc. This includes development of ~2ha sites at Airfield Industrial Estate in Eye and at Summer Road in Walsham le Willows, as well as numerous smaller sites across the districts.

6.7.10 Projecting forward demand for these types of uses shows an additional demand for 7.2ha of employment land in the district. This element is separated out as it is not identified in the other (labour demand) forecasts.

6.7.11 Adding all of these elements together shows a total projected demand for Mid Suffolk of 46.2ha for the Plan period.

Table 18. Take-up of Employment Land in Mid Suffolk by Type - All

	Total 2000-23 (ha)	Annual (ha)	Projection (ha)
Office	7.6	0.3	4.6
Industrial	43.5	1.9	26.5
Warehouse	25.0	1.1	15.2
Total Built	**76.1**	**3.3**	**46.3**
Open	11.8	0.5	7.2
Total	**87.9**	**3.8**	**53.5**

Table 19. Take-up of Employment Land in Mid Suffolk by Type – Excluding Development at Freeport Customs and Tax Sites

	Total 2000-23 (ha)	Annual (ha)	Projection (ha)
Office	7.6	0.3	4.6
Industrial	43.8	1.9	26.6
Warehouse	12.9	0.6	7.8
Total Built	**64.2**	**2.8**	**39.1**
Open	11.8	0.5	7.2
Total	**76.0**	**3.3**	**46.2**

6.8 Qualitative Analysis of Take-Up

6.8.1 The table below compares the size of sites taken-up for employment purposes since 2001. These sites have ranged in size from 0.02 to 15.5 hectares. The majority of take-up (79%) involves sites of less than one hectare. A very small proportion (2.4%) of take-up has involved sites of more than 5 hectares.

Table 20. Distribution of Take-up by Size of Site

	<1ha	1 – 4.99 ha	>5 ha	Total
Babergh	52	9	2	63
Mid Suffolk	80	23	2	105
Study Area	**132**	**32**	**4**	**168**

6.8.2 We have categorised take up using the broad use classes of industrial, warehouse, office and compound. Some 46.2% of land taken up has been for industrial use, 30.1% for warehouses, 18.4% external storage and 5.6% for office.

6.8.3 The costs of development can be significantly increased by the need for site clearance and remediation. The market therefore prefers high quality sites in landscaped settings, in locations with a good image and which are the least expensive to bring forward for development.

6.8.4 Developers prefer land that is serviced and available for immediate development or sites that can be made readily available, against land that still requires extensive remediation or major infrastructure works to bring it forward. Some 46.9% of land taken-up for employment was immediately available, 53.1% of land required preparation.

6.8.5 Occupiers of employment premises typically want fast routes to market and favour locations in close proximity to the strategic highway network (SHN). Analysis of take-up in other local authority areas it is not unusual to find 80% of take-up, and in some case more, occurring within 2km of a motorway or dual-carriageway junction. There are no motorways passing through the districts but the A12 dual carriageway

crosses the eastern part of Babergh, joining the A14 dual carriageway on the outskirts of Ipswich. The A14 then heads north-west across Mid Suffolk towards Bury St Edmunds.

6.8.6 To compare the relative accessibility of employment sites across the wider study area, we have also considered access to the Major Road Network (MRN), as defined by the Department for Transport. Within the districts the MRN comprises:

- The A131 leading south from Sudbury towards Braintree.
- The A134 heading north from Sudbury towards Bury St Edmunds.
- The A140 which leaves the A14 near Needham Market and heads north to Norwich skirting the western edge of Eye Airfield.

Table 21. Take up of Employment Land Categorised by Proximity to Major Road Network

	< 2km to SRN (ha)	< 2km to MRN (ha)	> 2km to MRN (ha)	Total (ha)
Mid Suffolk	47.21	46.68	10.85	104.74
Babergh	16.75	12.07	13.23	42.05

6.8.7 Across the two districts some 43.6% of take-up has been within a 2km drive of the strategic highway network and another 40.0% within 2km of the major road network.

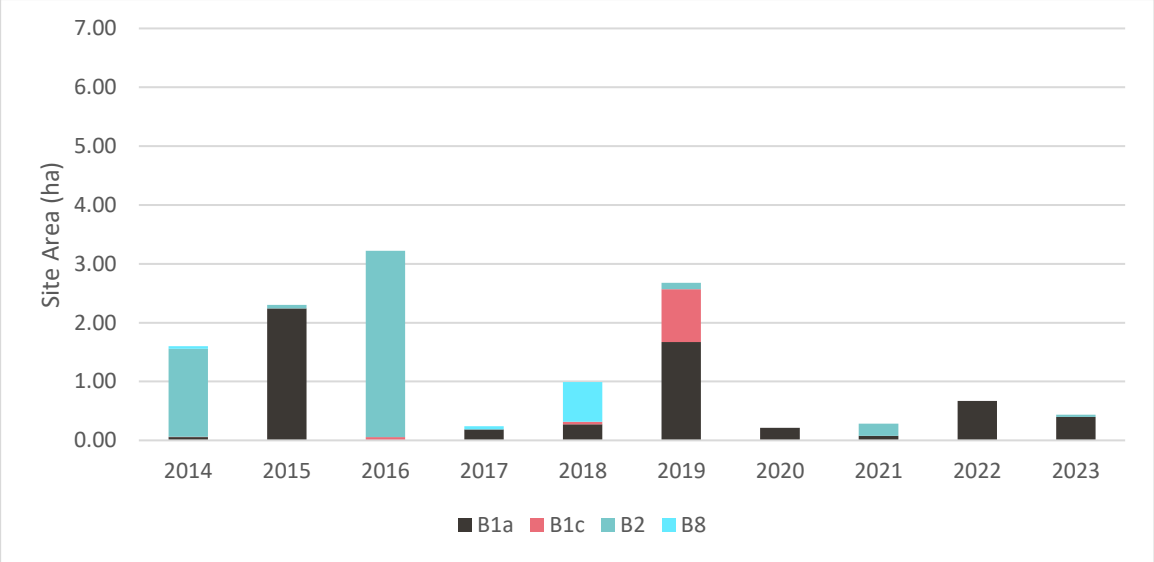
6.9 Losses of Employment Land

6.9.1 The Council record data of employment losses as part of their residential completions data. This is considered to provide the vast majority of losses of employment land to non-employment uses. The data for each authority is set out in the figures below.

6.9.2 This shows that Babergh has seen an average annual loss of 1.26ha of employment land over the last decade with roughly half of that being office and half being industrial/warehouse. Losses in Babergh have generally been spread across smaller sites. The fluctuation in different years is due to variance in the number of sites being lost rather than the loss of any notable sites. It is considered that this trend represents a natural level of churn and is likely to continue going forward[7].

[7] This is modelled in the labour demand scenarios set out in Section 7 of this report, where a loss replacement is added to the net need figures to identify a gross land requirement. This is not required in the completions trend forecast as this is based on gross completions.

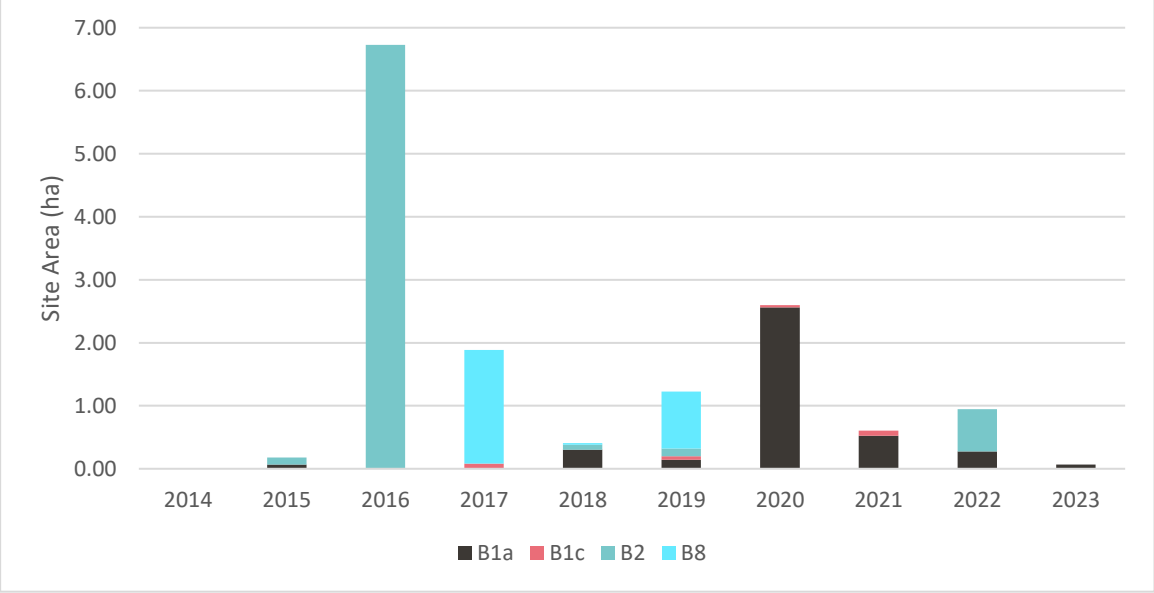
Figure 30: Losses of Employment Land to Residential Uses, Babergh



Source: Council's monitoring data

6.9.3 Mid Suffolk has seen an average annual loss of 1.46ha with around 25% being office and 75% being industrial/warehouse. During this period the largest loss of employment floorspace was the loss of the 6.6ha Former Grampian/Harris Factory in Elmswell. This is evident in the spike in 2016. No other year sees total losses above 3ha. However given the profile of Mid Suffolk's existing stock, one loss of this scale over the forecasting period is considered reasonable for forecasting purposes and counterbalances years – such as 2014 – when zero losses are recorded. It is therefore considered that this trend represents a natural level of churn and is likely to continue going forward.

Figure 31: Losses of Employment Floorspace to Residential Uses, Mid Suffolk



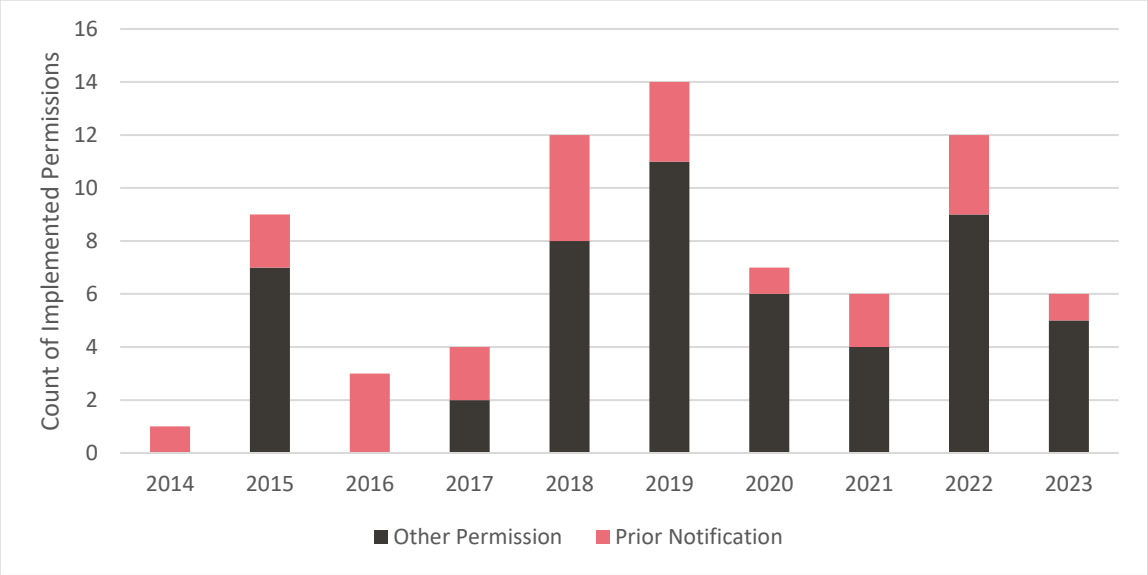
Source: Council's monitoring data

6.9.4 In 2013 Permitted Development Rights (PDR) were introduced which meant that planning permission is not needed for changes in use of B1a office buildings to C3 dwellinghouses. However prior notification of the change is required.

6.9.5 The figure below shows the number of prior notification applications for the change of use from office to C3 dwellinghouse. This shows that losses to residential uses through permitted development constituted 29% of offices lost to residential development. This was broadly proportional across Babergh (30%) and Mid Suffolk (27%).

6.9.6 The data also shows that the prior notifications applications are broadly consistently spread across the past decade. There is no noticeable increase during the start of the period after the new permitted development rights were introduced. This suggests that this type of development is likely to continue to come forward at these rates in future, subject to changes in policy at local or national level.

Figure 32: Prior Notifications – Office to Residential, Babergh and Mid Suffolk



Source: Council's monitoring data

6.9.7 In addition to the introduction of PDR in 2013, a change in the Use Class Order came into effect in September 2020. This put B1a (Office Space), B1b (Research and Development), and B1c (Industrial Processes) into the new E Use Class. This new class also contain many of the previous A-class uses, such as A1, A2, A3 and parts of D1 and D2 use classes. As these were all within the same use class, a planning permission would no longer be required to 'change use' as moving within a use class is not development, therefore a planning permission is not required.

6.9.8 The completions data set out above suggests that there has not been a significant impact of this change. However, given the completions data and VOA data available since this change is limited to only a few years, the impact may become apparent over a longer period. Until more data is available it is not possible to identify any trends based on the changes to the Use Classes.

6.9.9 Upon the introduction of the Use Class change, there was a general perception that there would be a significant amount of change within the E use class. At a national level there is no analysis which considers this in detail and therefore the perception remains. An indicator of how the creation of the E class has impacted areas, in particular town centre locations where office space is predominantly located, would be vacancy rates. Market forces would suggest that poorly performing office space those with high levels of vacancy would be subject to changes within the E class, i.e. if no one wants the office space, another end user may wish to lease it, such as retail.

6.9.10 However, this is dependent upon the building which the office space is located in being a desirable area for retail and in a configuration which allows the premises to function as retail space. Many purpose-built offices would not allow for this to happen, only becoming suitable through additional development or external changes, both of which would require a planning permission and therefore making the ease of moving with the E use class less straightforward.

6.10 Summary

6.10.1 This section provides an assessment of the patterns of supply and loss of employment floorspace and land in Babergh and Mid Suffolk. The following conclusions are drawn:

- For office floorspace, both Babergh and Mid Suffolk have a slightly negative net absorption over the past ten-year period. Office vacancy rates in Mid Suffolk have trended below the Suffolk average of around 3.5% while in Babergh vacancy rates have tended slightly above.
- There has been strong take-up of industrial floorspace in both districts with considerable net absorption. This reflects the continual delivery of industrial floorspace in both districts over this period as well as the take-up of existing vacant space.
- This has resulted in industrial vacancy rates in both districts has falling sharply over the past ten years. Mid Suffolk has consistently seen industrial vacancy rates below 1% during this period, while Babergh has tracked closely with the Suffolk trend until recently where vacancy rates have dropped to almost zero.
- Gross past take-up data has been used to provide a forecast of future demand of employment land. This indicates a demand for 24.7ha of employment land in Babergh and 53.5ha of employment land in Mid Suffolk over the Plan Period.
- Losses have also been considered. Babergh has seen an average annual loss of 1.26ha of employment land and Mid Suffolk has seen an average annual loss of 1.46ha over the last decade. It is therefore considered that this trend represents a natural level of churn and is likely to continue going forward. This is factored into the net labour demand modelling in Section 7.

7.0 FUTURE EMPLOYMENT GROWTH

7.1.1 This section provides an assessment of the future employment growth in Babergh and Mid Suffolk to 2037. The starting point for this assessment is the workforce jobs growth forecasts produced by the following forecasting companies:

- Cambridge Econometrics
- Oxford Economics
- Experian

7.1.2 The outputs of three forecasts for the districts are set out and analysed below. The forecasts are assessed in terms of their total employment growth and on a sectoral basis in order to consider their suitability and robustness for planning purposes.

7.2 Cambridge Econometrics (CE)

7.2.1 The CE forecast is not constrained by supply-side factors – such as population and the supply of labour. The forecast provides outputs for total employment, which is equivalent to workforce jobs. Therefore, the CE forecast makes no estimates of population, activity rates and unemployment rates of the local population.

7.2.2 The CE forecast assumes that there will be enough labour (either locally, or through commuting and future in-migration) with the right skills to fill the jobs. The forecast provides no outputs on demographic or local population labour supply, and makes no assumption regarding the existence of labour supply.

7.2.3 The CE forecast is based on the historic growth trend assessed in terms of a local area's performance relative to the region or UK trend (whichever has the strongest relationship with the local area in question). This process is undertaken on a sector-by-sector basis. The CE forecast assumes that these relationships continue. Thus, if an industry in the local area outperformed the industry in the region (or UK) in the past, then it will be assumed to continue to do so in the future. Similarly, if it underperformed the region (or UK) in the past then this will be projected forward in the future.

7.3 Oxford Economics (OE)

7.3.1 The OE forecast is produced within an integrated modelling framework, which takes account of labour supply-side factors such as migration, commuting and activity rates and both models' employment and population growth. The OE forecast considers three factors:

- National/regional outlooks – consistency with the broader global and national forecasts;
- Historical trends in an area (which implicitly factor in supply-side factors impinging on demand), augmented where appropriate by local knowledge and understanding of patterns of economic development; and
- Fundamental economic relationships which interlink the various elements of the outlook.

7.3.2 The starting point in producing employment forecasts is the determination of workplace-based employees in employment in each of broad sector consistent with the regional and UK outlooks. At local authority level sectoral growth is driven by a range of factors:

- Some sectors are driven predominantly by population estimates;
- Others by total employment in the area;
- The remainder relative to the regional performance (largely exporting sectors);
- All sectors are also influenced by past trends in the local area.

7.3.3 Total employment is calculated by adding the employees in employment, the self-employed and His Majesty's Forces. Self-employment data by region is taken from Workforce jobs data which is then broken down into detailed sectors using both employee trends and the UK. Data for the local authorities is Census based (and scaled to the regional self-employed jobs estimates) and is broken down using the employees in employment sectoral structure. The sectors are forecast using the growth in the sectoral employees in employment data and the estimates are scaled to the regional estimate of self-employment by sector.

7.3.4 The OE framework models population as an output which is economically driven and thus forecasts differ from the official Sub-National Population Projections. The OE model uses official births and deaths projections from the 2016-based population projections; however, they use different migration assumptions based on their modelled UK migration, and at the local level, migration is linked to the forecast employment rate. OE report in their data guide that the current macro-economic climate means that their local forecasts show most, if not all, local areas will face challenges in the short-term, irrespective of how they have performed over the past 15 years.

7.4 Experian

7.4.1 Like OE, the Experian forecast is an integrated model providing a wide range of outputs on employment, workforce, and population trends. The Experian model is based on the resolution of demand and supply for labour. This process takes account of commuting between local areas within a region and across the regional boundary as well as an estimate of the growth in the economic participation rates in a local area. For population, the Experian model takes as an input data from the Sub-National Population Projections. Commuting flows are used to derive the available labour force for a region.

7.4.2 In parallel, labour demand (in terms of workforce jobs) is estimated at the local authority level. This is done on a sector by sector basis whereby local growth is assumed to be inline with sectoral growth at the regional level. This is then constrained so that the sum of local authority growth aligns with regional estimates.

7.4.3 The Experian forecast constructs workforce jobs series for each local area using BRES/ABI data to disaggregate estimates for each industry sector. The effect of this is:

- Demand for jobs at the local level is greatest / grows faster in those industries which are performing best at the regional level.

- Total demand for jobs at the local level depends on its industrial structure. Those local areas which have a more than proportionate share of the best performing industries will perform best overall.

7.4.4 The supply and demand for labour is then resolved by considering:

- The historic ratio between resident employment and workplace-based employment in that local area;
- The inflow and outflow of workers across regional boundaries; and
- Historic commuting patterns.

7.4.5 This is then converted back into jobs and used to produce final workforce jobs estimates for each district.

7.5 Comparison of Economic Forecasts for Babergh and Mid Suffolk

7.5.1 The figure below shows the total employment forecasts for Babergh and Mid Suffolk, showing the historical trend since 1997 and the forecast growth trend to 2037.

7.5.2 The historic trend shows some variation due to how the historical 'backcasts' are formed which differs slightly for each forecaster in terms of methodology and data sources used. There are therefore some discrepancies between the forecasts regarding historic employment levels with CE in particular being volatile than the other forecasts. This historic data therefore must be treated carefully.

7.5.3 Further to this, there is discrepancy between the forecasts regarding current employment levels for 2023. For Babergh the forecasts show current employment levels between 38,800 to 40,300. For Mid Suffolk the forecasts show current employment levels between 46,300 to 49,300. We have therefore corroborated the forecasts against business data from the Inter-Departmental Business Register alongside the data on Self Employment produced by ONS. This shows that the forecasts for Babergh are all well aligned to the ONS data albeit suggesting they may be slight underestimates. The Mid Suffolk forecasts shows a slightly wider discrepancy with the ONS data suggesting the total employment may be slightly overestimated. This analysis at headline level does not identify any one forecast as preferable nor any as unreliable.

Table 22. Employment 2023 – Comparison of Forecasts

Source	Babergh	Mid Suffolk
CE	39,500	48,700
OE	40,300	49,300
Experian	38,800	46,300
ONS IDBR + Self-employed data	40,400	44,100

7.5.4 The three economic forecasts (and 'backcasts') are shown in the figure below. This shows an historic trend of slow and steady growth in Babergh and stronger growth in Mid Suffolk. This is reflected in the future growth forecasts which both show growth going forward, with higher levels of growth in Mid Suffolk.

7.5.5 The figures also show a comparison of the three forecasts (CE, OE, and Experian). For both districts the CE forecast shows strongest growth with the highest level of employment by 2037, with Experian having the

lowest level of employment by 2037 and OE in between. However, for Mid Suffolk the disparity in estimates for current employment levels means the Experian forecast starts from a lower base and has a stronger growth than the OE forecast.

Figure 33: Total Employment – Babergh 1997-2037

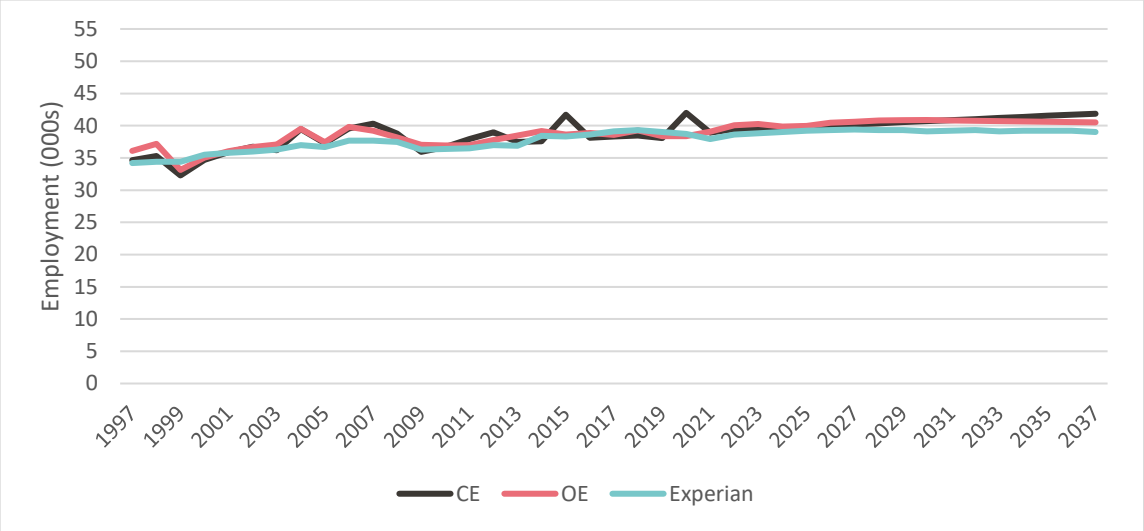
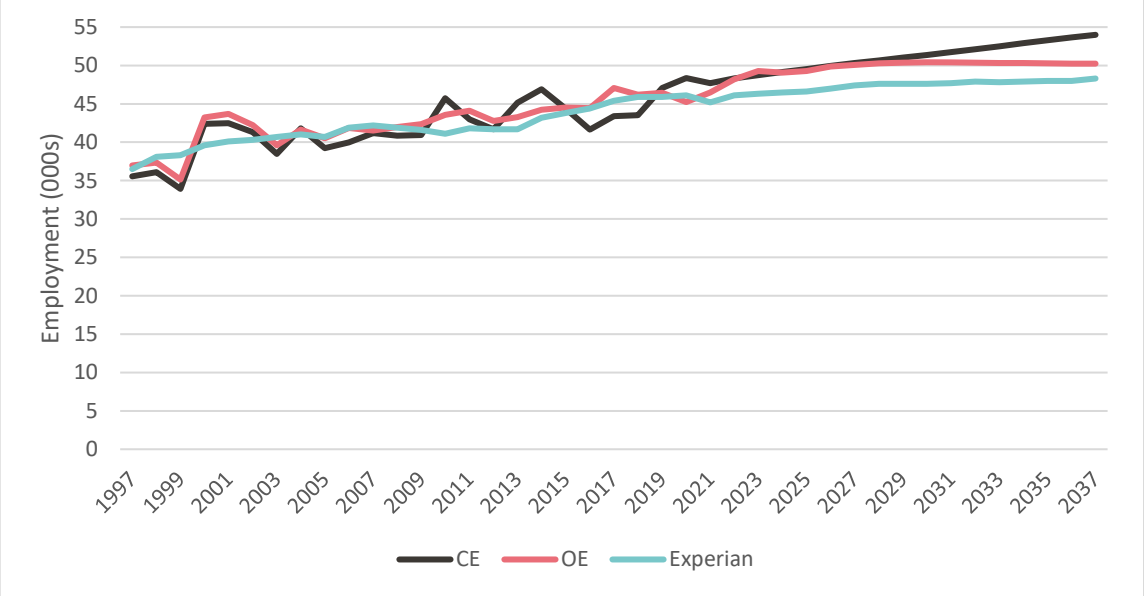


Figure 34: Total Employment – Mid Suffolk 1997-2037



7.5.6 The figures above identify a time period for assessment of growth for Babergh and Mid Suffolk from trough to trough between 2009 and 2021, which usefully indicates a 'market cycle'. This aligns with economic trends seen at the national level.

7.5.7 The total level of employment in the districts, as shown in the three forecasts, can be compared over two periods:

- 2009 – 2021 representing the most recent 'trough to trough'; and
- 2023 – 2037: the future growth over the Plan period

7.5.8 Over the previous market cycle from 2009-21 the forecasts show an average annual growth of between 0.4% (Experian and OE) and 0.7% (CE) per annum. Looking forward over the period 2023-37 the economic forecasts show a lower rate of growth – 0.4% per annum for CE and 0.04% per annum for OE and Experian.

7.5.9 For Mid Suffolk the forecasts show a stronger historic growth than Babergh with growth over the last market cycle (2009-21) of 0.7-1.3%. Looking forward over the period 2023-37 the economic forecasts show a lower rate of growth – 0.7% per annum for CE, 0.3% per annum for Experian, and 0.1% per annum for OE.

7.5.10 As such, overall CE forecasts the highest level of jobs increase in both districts, while OE forecasts the lowest. However, even the most optimistic forecast (CE) shows growth lower than seen over the past market cycle.

Table 23. Total Employment, Average Annual Growth Rates, 2009-2021 vs 2023-37

	Babergh		Mid Suffolk	
	2009-2021	**2023-37**	**2009-2021**	**2023-37**
CE	0.7%	0.4%	1.3%	0.7%
OE	0.4%	0.04%	0.8%	0.1%
Experian	0.4%	0.04%	0.7%	0.3%

7.6 Sector Analysis

7.6.1 The figures below show the employment profile by industry sector of the districts in 2023. This shows some minor discrepancies between the forecasts and the ONS IDBR data but generally there is good alignment between all forecasts.

7.6.2 In Babergh the IDBR data suggests construction jobs may be overrepresented in all forecasts while agriculture and retail jobs may be underrepresented. However, these sectors have high levels of self-employment which may explain these differences. This trend is also seen in Mid Suffolk, additionally the IDBR data suggests the manufacturing sector jobs may be underrepresented in the forecasts.

Figure 35: Employment Sector Profile, 2023 – Babergh

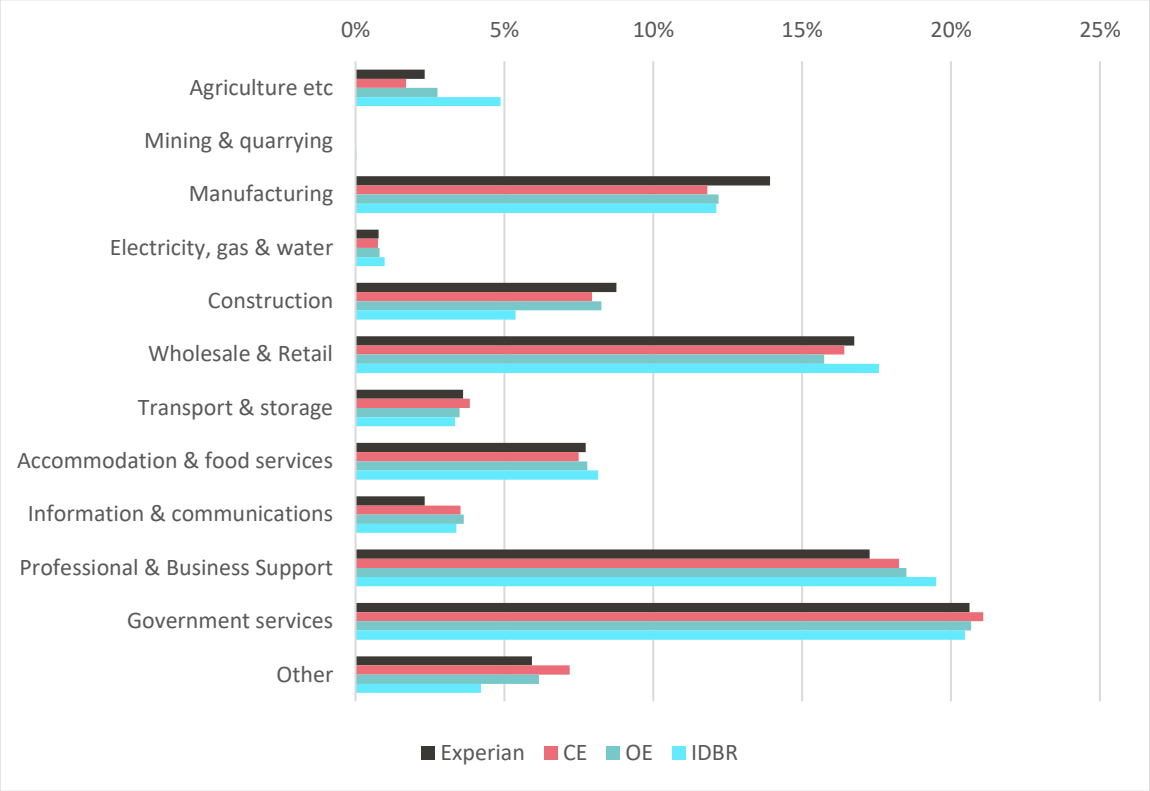
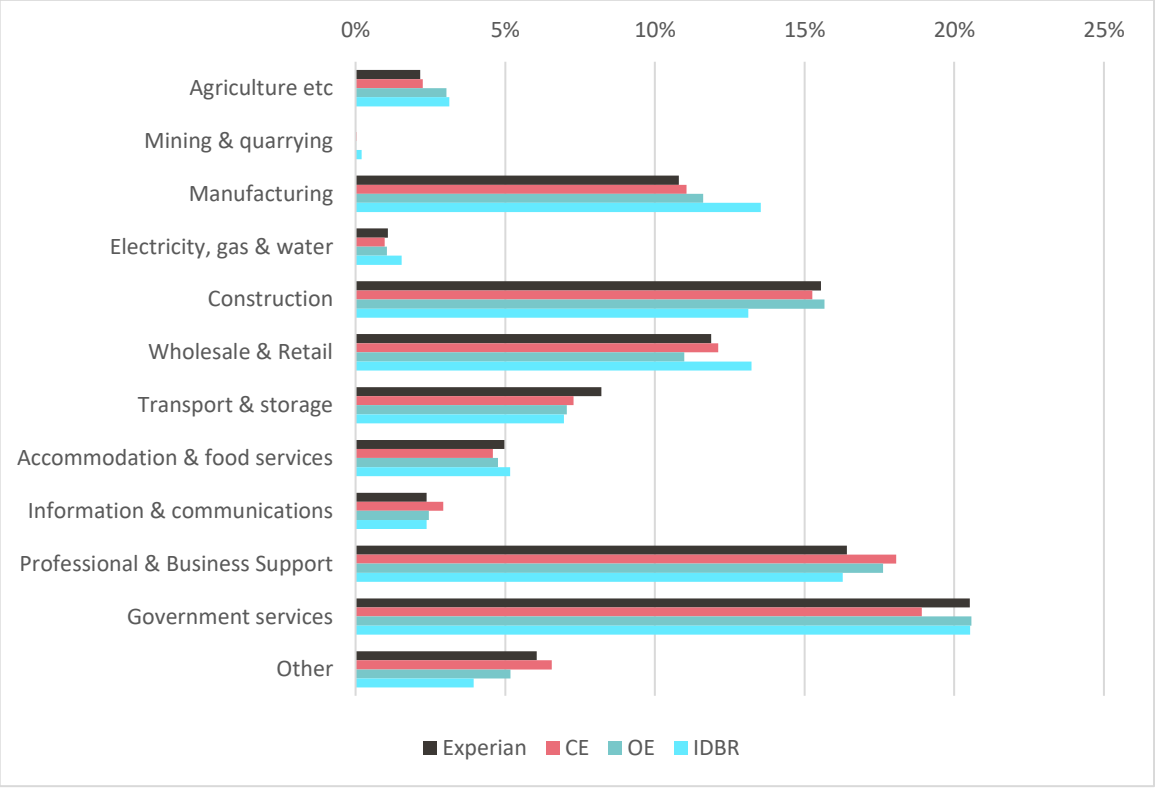


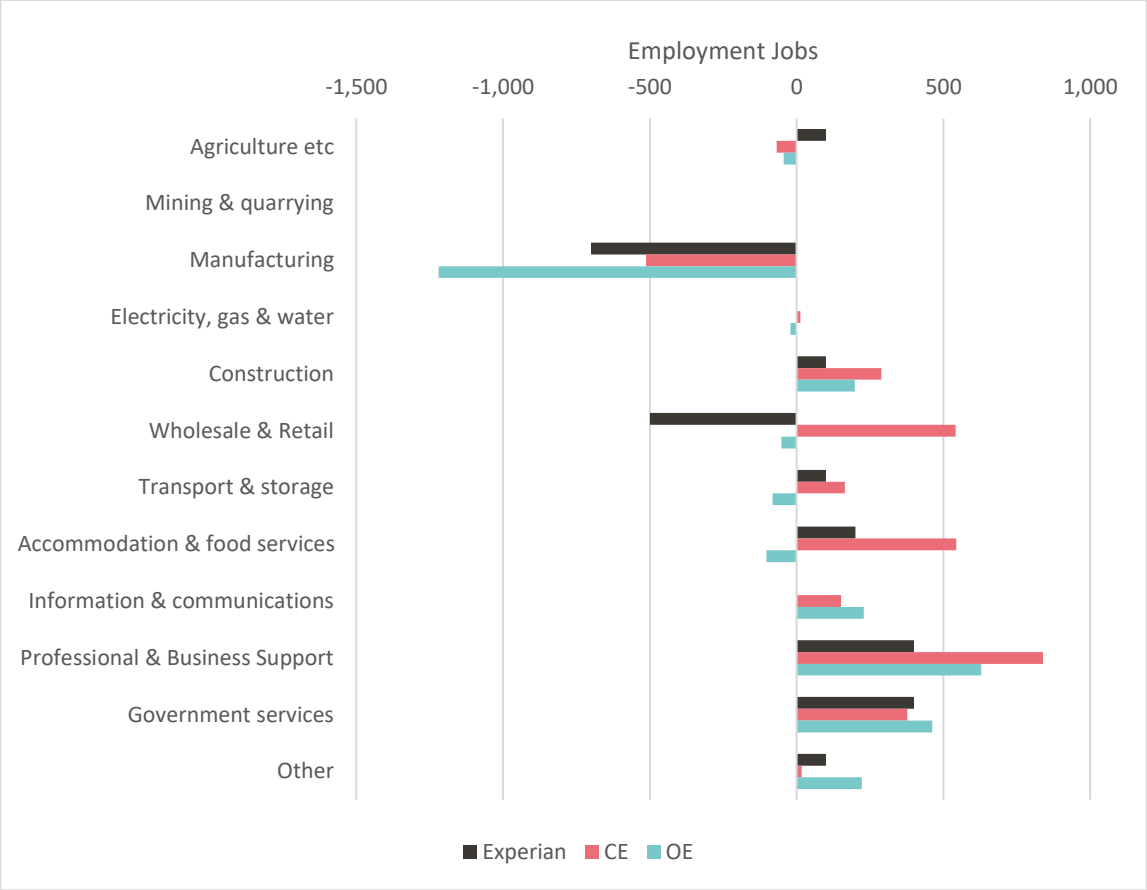
Figure 36: Employment Sector Profile, 2023 – Mid Suffolk



7.6.3 The figures below set out the forecast jobs growth between 2023-2037 by sector for each forecast. The following observations are made for Babergh:

- All three forecasts show growth in the sectors of Construction, Professional and Business Support, and Government Services (including Health, Care, Education, and Public Administration).
- All three forecasts show considerable losses in the Manufacturing sector. The OE forecast is particularly negative showing roughly twice the net job losses than the CE or Experian forecasts.
- However, some sectors show considerable disparity between the forecasts, particularly relevant to this study are the Wholesale and retail sector, and Transportation and Storage sector. The CE forecast shows growth in both sectors, however the OE forecast shows net losses in both, while the Experian forecast shows large net losses in the Wholesale and retail sector.
- These sectors have a significant impact on the future demand for employment growth indicated by each forecast. The high variance in jobs growth between the forecasts results in significant differences in the quantum of employment land required by each forecast.
- Overall, the CE forecast is more positive across the majority of sectors showing stronger growth in the growth sectors and lower levels of losses than the other forecasts.

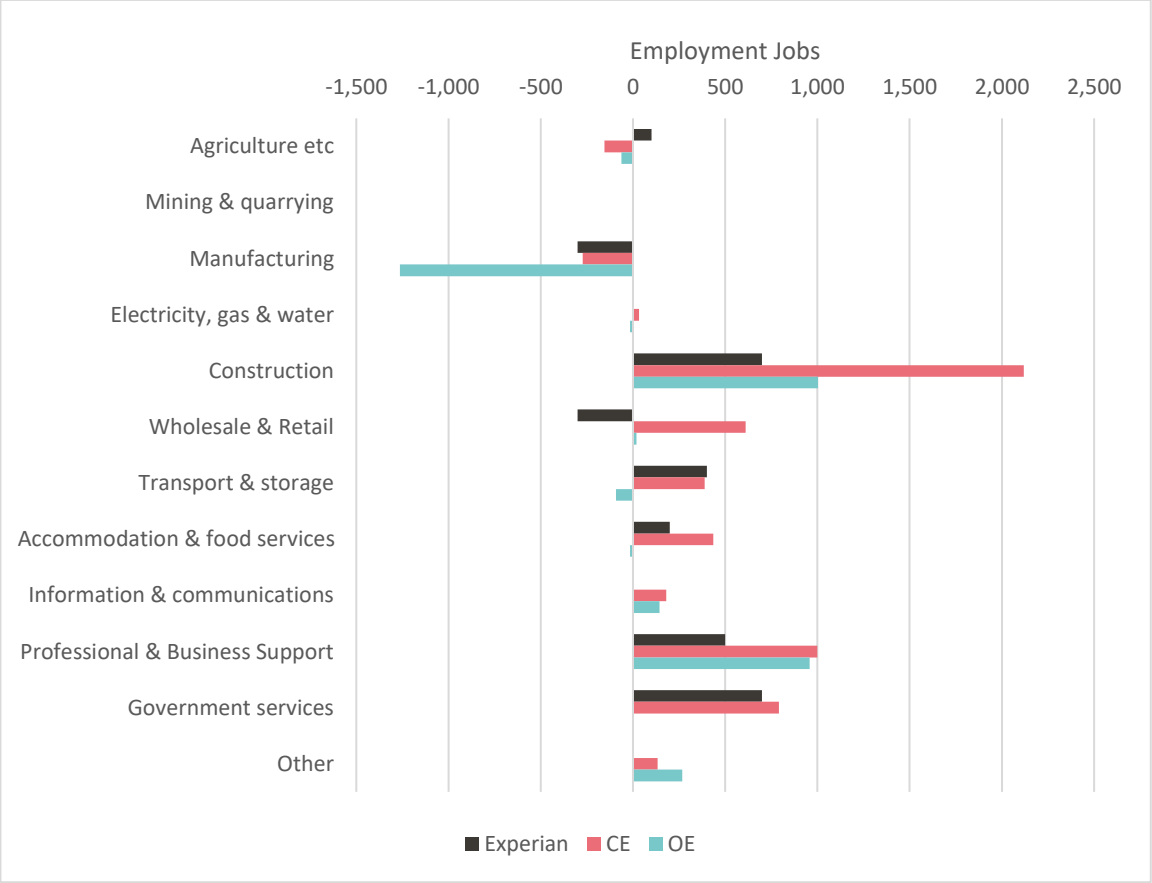
Figure 37: Jobs Growth in by Broad Sector, 2023-2037 – Babergh



7.6.4 The following observations are made for Mid Suffolk:

- All three forecasts show growth in the sectors of Construction and Professional and Business Support. Most notable is the forecast growth in the Construction sector shown in the CE forecast which is double the growth of any other sector.
- All three forecasts show losses in the Manufacturing sector although the OE forecast is considerably more negative than the CE or Experian forecasts.
- The CE and Experian forecasts show positive growth in Transportation and Storage, Accommodation and Food Services, and Government Services, however the OE forecast shows zero or slight negative growth for these sectors.
- The disparity between the forecasts – particularly regarding the Manufacturing, Construction, and Transportation and Storage sectors – will have a significant impact on the future demand for employment growth indicated by each forecast.
- Overall, the CE forecast is more positive across the majority of sectors showing stronger growth in the growth sectors and lower levels of losses than the other forecasts. Conversely, the OE forecast is less positive showing growth in only three sectors and greater overall losses.

Figure 38: Jobs Growth in by Broad Sector, 2023-2037 – Mid Suffolk



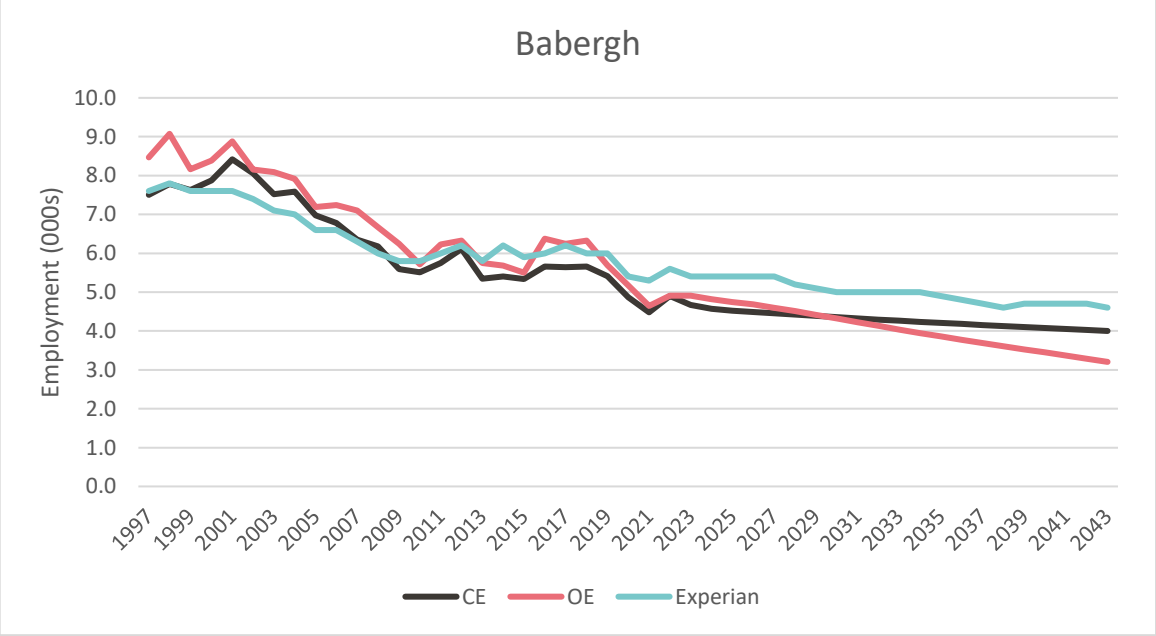
7.6.5 Further details of the Manufacturing, Construction, Transport and Storage, and Professional Business Support Services sectors is set out below. These are the sectors with the largest differences between the forecasts and also the largest bearing on future employment land needs. The graphs below compare the past trends for each of these sectors against projected future growth.

i) *Manufacturing*

7.6.6 The Manufacturing sector forecast for Babergh is shown below. All three forecasts show a steady decline in manufacturing jobs since 1997 which is reflected in negative growth shown in each forecast over the last market cycle. Looking forward, all three forecasts show continued negative growth, however the OE forecast is notably more negative possibly forecasting forward the longer-term trends which show steeper decline prior to 2009.

7.6.7 Comparison of the forecasts against current IDBR data (for 2023) suggests all three forecasts overestimate employment in the sector. The IDBR provides a record of all businesses and is therefore more accurate than the model-based approach of the forecasts. The IDBR shows a total of 4,280 jobs in the manufacturing sector in Babergh, compared to 4,700 (CE), 4,900 (OE), and 5,400 (Experian). This is quite a significant discrepancy impacting on the historic losses estimated in the forecasts (the backcasts) as well as the projected future losses.

Figure 39: Manufacturing Forecast Comparison – Babergh



7.6.8 For Mid Suffolk, the forecasts for Manufacturing show a more neutral performance over the past market cycle, with growth shown at or around zero. The IDBR data shows sectoral jobs of 4,842 in 2023, compared to the forecasts which record 5,000 (Experian), 5,400 (CE), and 5,700 (OE). This indicates a discrepancy between the data, albeit less than seen in Babergh.

7.6.9 Looking forward, all three forecasts show negative growth, albeit at lower rates than for Babergh. The OE forecast is notably more negative than either the other forecasts, or the historic performance, possibly forecasting forward the longer-term trends which show steeper decline prior to 2009. This forecast looks very negative when compared against other forecasts and data set out in this report.

Figure 40: Manufacturing Forecast Comparison – Mid Suffolk

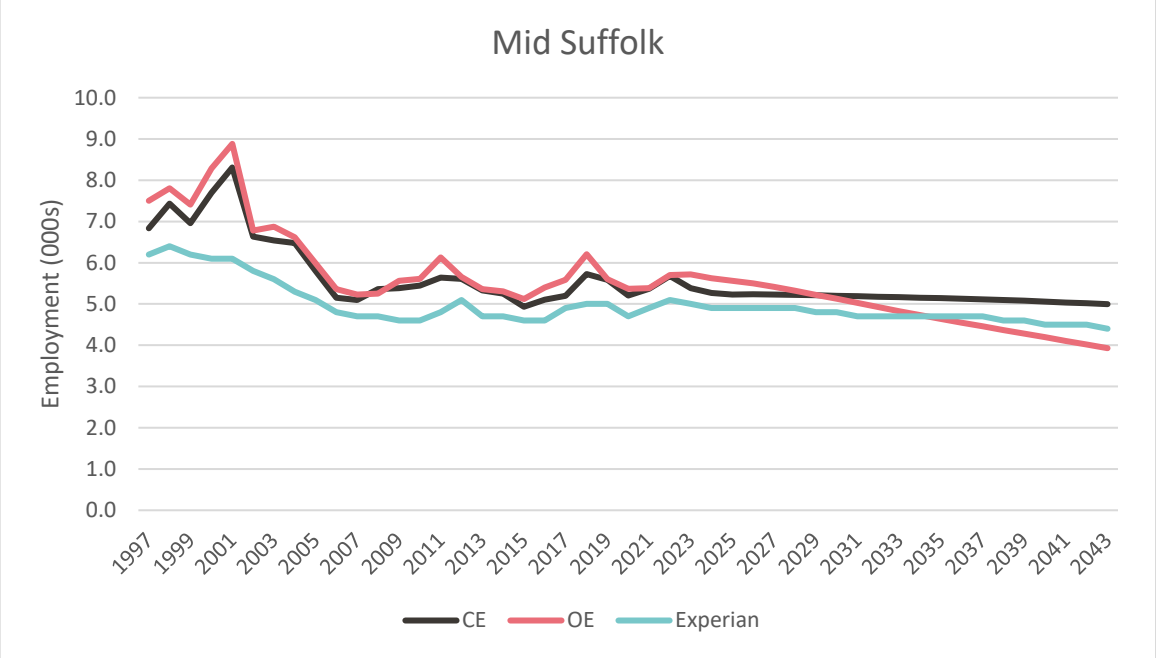


Table 24. Manufacturing Forecast Comparison

	Babergh		Mid Suffolk	
	2009-21	**2023-37**	**2009-21**	**2023-37**
CE	-1.8%	-0.8%	0.0%	-0.4%
OE	-2.4%	-2.0%	-0.3%	-1.8%
Experian	-0.7%	-1.0%	0.5%	-0.4%

7.6.10 Overall, all three employment forecasts present a negative outlook for the manufacturing sector in the districts. However this contrasts with a range of other indicators on market performance – such as market activity industrial take up, land use trends, and stakeholder feedback.

7.6.11 The analysis has highlighted some significant discrepancies between the economic forecasts and the IDBR data for the manufacturing sector. Rebasing the forecasts to the 2023 IDBR data is not possible as it would suggest higher historic job losses as well as reduce projected future losses (or indicate a return to growth). This would work counter to the forecasting process.

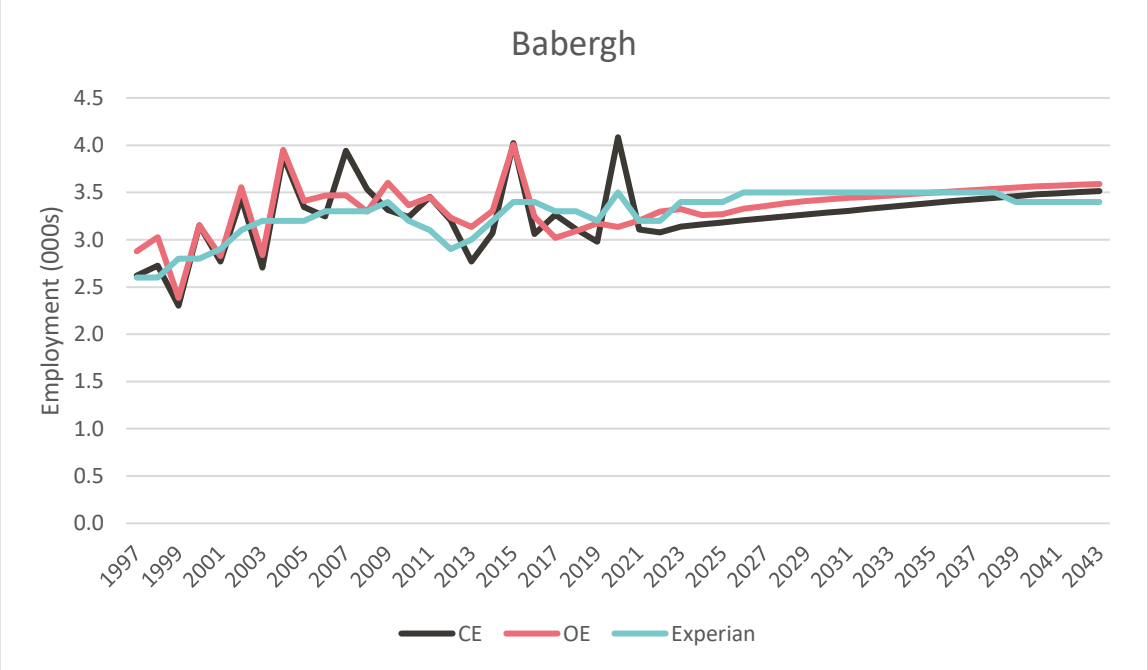
7.6.12 This discrepancy represents a flaw with the economic forecasting data for Babergh and Mid Suffolk for the manufacturing sector and raises question marks regarding the suitability of using this data for assessing future needs in this sector.

7.6.13 This suggests that the employment forecasting might not provide the most robust approach for forecasting future employment land needs for this sector in Babergh and Mid Suffolk.

ii) *Construction*

7.6.14 For Babergh the Construction sector has seen broadly zero growth since the early 2000s however the fluctuating employment levels means measuring growth depends on the specific years chosen. From 2009-21 there has been a slight decline but from 2012 or 2013 shows positive growth in different forecasts. Overall, this suggests that the relatively small positive future growth shown in the forecasts looks reasonable.

Figure 41: Construction Forecast Comparison – Babergh



7.6.15 Mid Suffolk has seen a strong performance in the Construction sector over the previous market cycle. All forecasts show strong growth rates, and these are even higher if measured from a start date of 2012 or 2013. This is reflected to some degree in the future forecasts which all show positive growth – the CE forecast more aligned to the previous growth rates and the OE and Experian forecasts lower than past trends.

Figure 42: Construction Forecast Comparison – Mid Suffolk

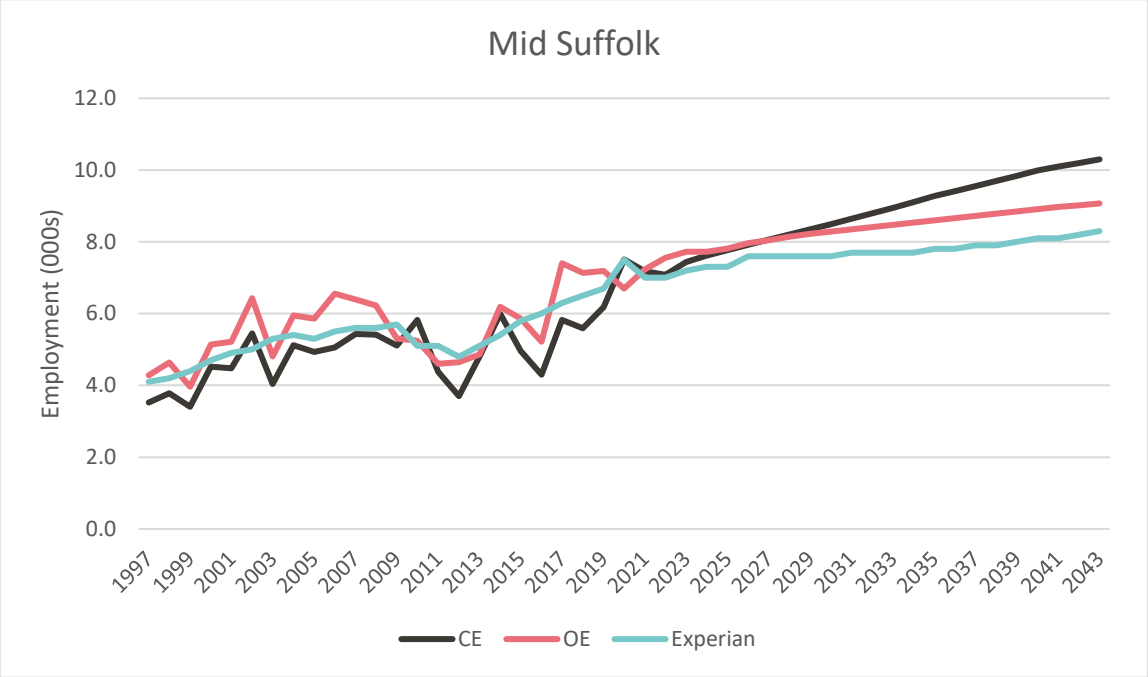


Table 25. Construction Forecast Comparison

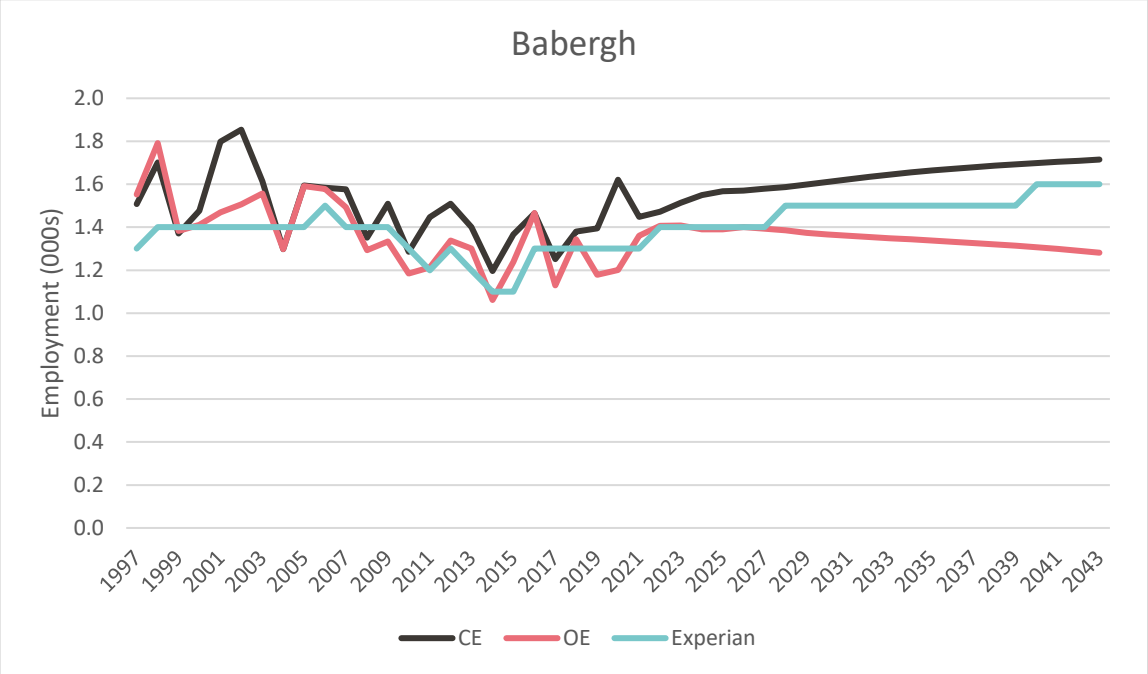
	Babergh		Mid Suffolk	
	2009-21	**2023-37**	**2009-21**	**2023-37**
CE	-0.5%	0.6%	2.9%	1.8%
OE	-1.0%	0.4%	2.6%	0.9%
Experian	-0.5%	0.2%	1.7%	0.7%

iii) *Transport and Storage*

7.6.16 As with the Construction sector, the forecasts show considerable fluctuations in employment in the Transport and Storage sector in Babergh. This means taking a measure of growth over the past market cycle is difficult and depends on the particular year (however 2008 provides a more stable base year than 2009). However, the figure below shows there was a slight negative growth over the first half of the last market cycle followed by positive growth since 2014.

7.6.17 Looking forwards the CE and Experian forecasts reflect this recent positive growth seen since 2014 whereas the OE forecast is negative reflecting the longer-term trend. The discrepancy between the CE and Experian forecasts results from the starting point (i.e. 2023 value) with the IDBR data corroborating the Experian data.

Figure 43: Transport and Storage Forecast Comparison – Babergh



7.6.18 In Mid Suffolk the Transport and Storage sector has seen steady growth over the previous market cycle, with the CE showing particularly high growth due to a lower figure recorded for 2008. The Experian data throughout this period and for 2023 is quite different from the other forecasts however the IDBR data corroborates the CE and OE figures for 2023.

7.6.19 Looking forward the CE and Experian forecasts show positive growth broadly in the range shown for the 2008-21 period. However, the OE forecast shows negative growth which is at odds with the past trends and other forecasts.

Figure 44: Transport and Storage Forecast Comparison – Mid Suffolk

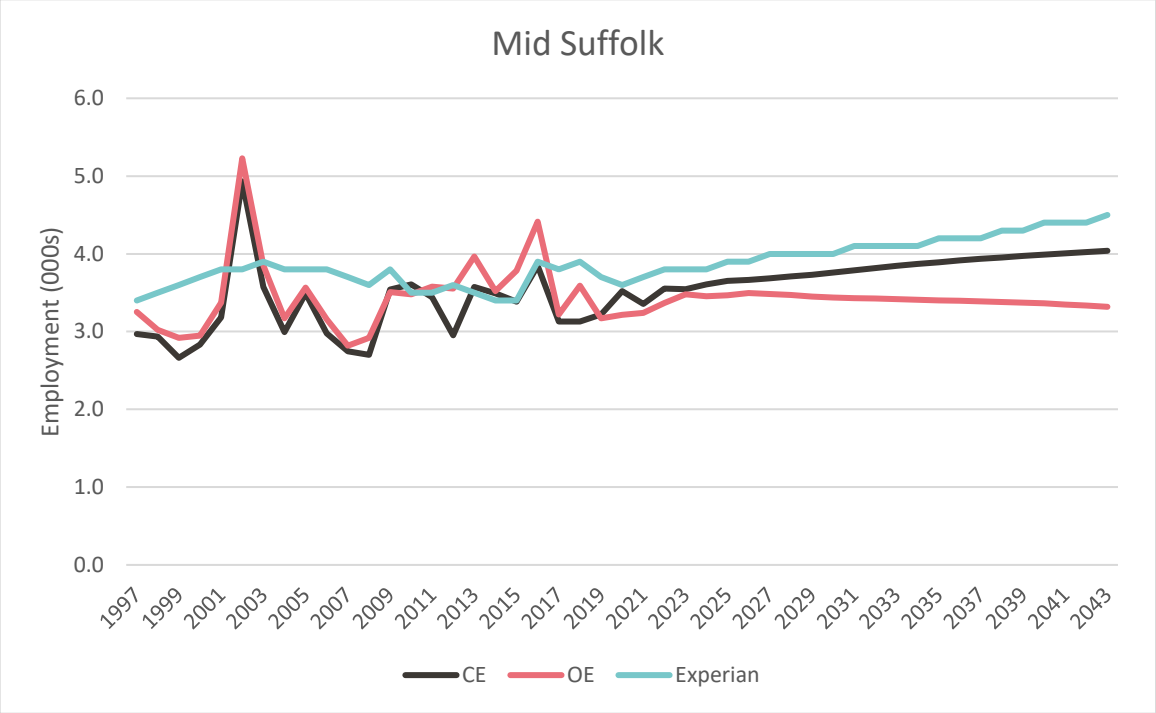


Table 26. Transport and Storage Forecast Growth Rates

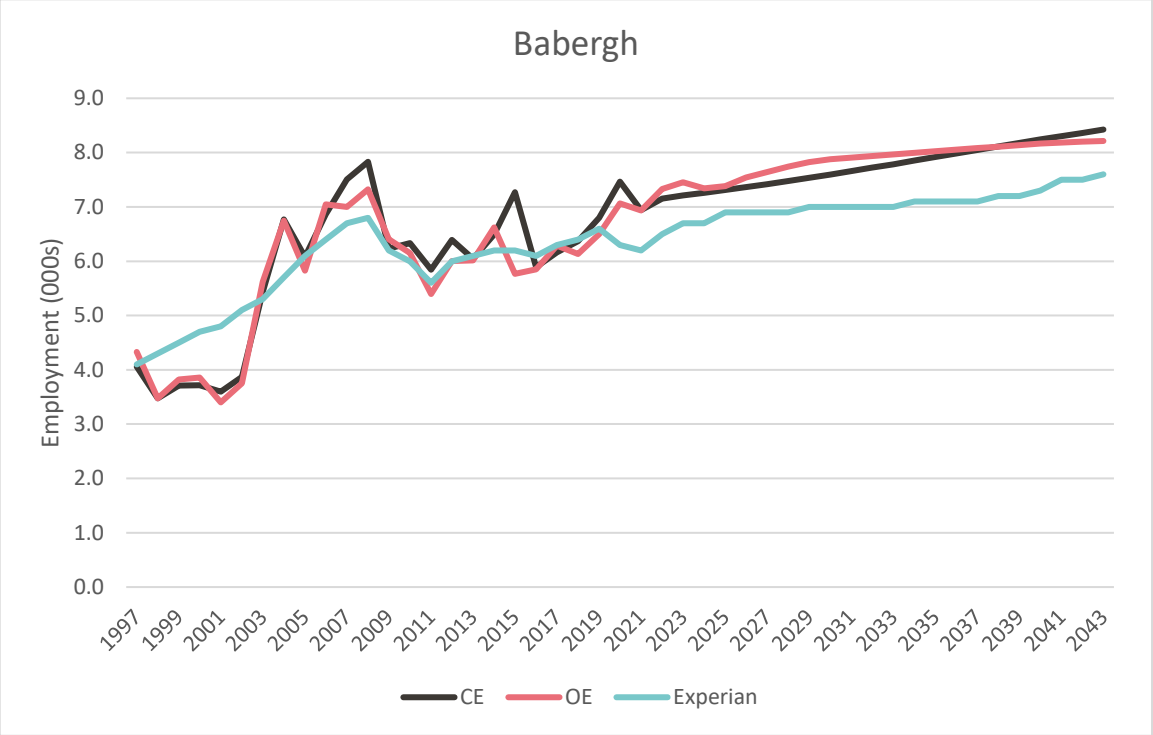
	Babergh		Mid Suffolk	
	2008-21	**2023-37**	**2008-21**	**2023-37**
CE	0.5%	0.7%	1.7%	0.7%
OE	0.4%	-0.4%	0.8%	-0.2%
Experian	-0.6%	0.5%	0.2%	0.7%

iv) Professional and Business Support Services

7.6.20 The Professional and Business Support Services sector has seen strong growth in Babergh over the last market cycle (2008-21 for both districts). The Experian forecast shows lower levels of growth and lower levels of employment in 2023 than the other forecasts however the IDBR corroborates the higher growth of the CE and OE forecasts.

7.6.21 Looking forward, all forecasts show continued growth albeit at lower levels to trends over the past market cycle. Experian shows the lowest future growth rates reflecting the lower historic growth captured in this forecast, but which do not accord with the latest IDBR data. Therefore the higher growth shown in the CE and OE forecasts appears more reasonable.

Figure 45: Professional Business Support Services Forecast Comparison – Babergh



7.6.22 In Mid Suffolk the Professional and Business Support Services sector has seen strong growth over the last market cycle. The Experian forecast shows lower levels of growth and lower levels of employment in 2023 than the other forecasts however in Mid Suffolk the Experian data aligns more closely with the IDBR data.

7.6.23 All three forecasts show continued future growth in this sector however at a much lower level than seen previously.

Figure 46: Professional Business Support Services Forecast Comparison – Mid Suffolk

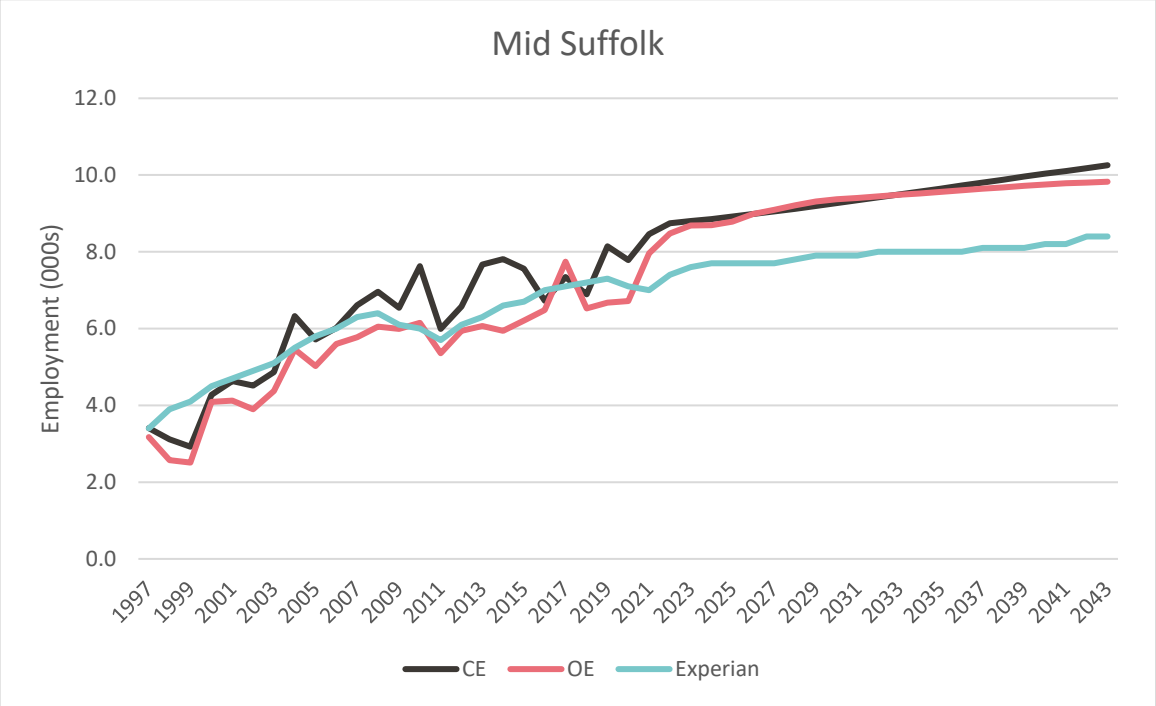


Table 27. Professional Business Support Services Forecast Growth Rates

	Babergh		Mid Suffolk	
	2011-21	**2023-37**	**2011-21**	**2023-37**
CE	1.7%	0.8%	3.5%	0.8%
OE	2.5%	0.6%	4.0%	0.8%
Experian	1.0%	0.4%	2.1%	0.5%

7.7 Conclusions

7.7.1 The three econometric forecasts provide a range of views of future economic performance in Babergh and Mid Suffolk and all three forecasts are taken through to provide a range of employment land need outputs. The assessment has been considered primarily with a view to considering future employment land needs and has therefore focussed on the sectors which predominantly occupy this type of space.

7.7.2 Drawing upon the sectoral assessment of the forecasts above, the following observations and conclusions can be drawn:

- There is significant misalignment between the forecasts both at headline and sectoral levels. This is true for many of the sectors which have a significant impact on future employment land needs. Therefore further analysis of these sectors has been undertaken.
- Comparison of the future jobs growth shown in the forecasts against the jobs growth seen over the past market cycle shows that all three forecasts expect lower levels of future growth. None of

the forecasts show stronger growth for the 2023-37 period than has been seen historically. This is true at headline level as well as for the employment-based sectors.

- The CE forecast consistently identifies the most positive growth while the OE forecast identifies the most negative outlook. The CE forecast shows closer alignment with past trends while the OE forecast would entail a significant reduction in economic performance, particularly towards the latter end of the forecasting period.
- The analysis of the forecasts suggests that the CE forecast provides the most suitable basis for positive future land planning purposes.
- However, the data suggests that the employment forecasting (labour demand approach) might not provide the most robust approach for forecasting future employment land needs for this sector in Babergh and Mid Suffolk.
- The labour demand forecasts should therefore be considered alongside the alternative forecasting approaches and wider market signals when drawing conclusions on overall employment land needs.

8.0 STAKEHOLDER ENGAGEMENT

8.1 Introduction

8.1.1 Stakeholder engagement has been undertaken with key stakeholders operating within Babergh and Mid Suffolk. Stakeholders include local commercial agents and developers, representatives from local business groups, local Government organisations, and representatives from the Freeport East.

8.1.2 Stakeholder engagement constituted a series of semi-structured one-on-one interviews with each stakeholder to ascertain their knowledge and insight about current and future drivers of demand and commercial market dynamics across Babergh and Mid Suffolk. Stakeholder interviews took place during January 2024.

8.1.3 The views of the stakeholders have been summarised and collated by topic below.

8.2 Overall Demand for Employment Land

8.2.1 Stakeholders reported that there has been a massive structural shift in the distribution market in recent years. This has resulted in a significant increase in demand for warehouse/distribution space in Babergh and Mid Suffolk – particularly within the corridors with good strategic transport links.

8.2.2 There has been strong port-related demand for warehouse/logistics space in Babergh/Mid Suffolk, demand has increased in recent years due to a number of factors:

- There has been increasing due to the changes from a 'just in time' to 'just in case' distribution model. This has changed the location of regional and national distribution depots creating a greater level of demand for space within close proximity to Felixstowe. This has seen demand increasing above the historic trend.
- Post-Brexit trading regulation has resulted in foreign businesses taking more space in the UK resulting in the need for more warehousing to accommodate increased demand. Generally this has driven up demand for large (100,000 sqft) warehouse space within close proximity of the ports.
- The e-commerce sector has seen considerable growth during and following the Covid pandemic and this has resulted in increased demand for warehouse and logistics space across the UK. This saw a sharp increase in demand in the years during and following the pandemic although this has abated slightly since.
- The Freeport East proposals are generating additional demand within close proximity, i.e. 20-30 miles, of Felixstowe. There is also additional demand being generated from activity at Harwich although this is focussed to the south of the study area in Tendring and Colchester.

8.2.3 Many stakeholders felt this structural shift meant the previously identified scale of employment land needs identified for the districts was no longer suitable and current and future demand would significantly exceed this.

8.2.4 In terms of the types and sizes of sites required, stakeholders reported that while the specific demand profiles differs by area – see area summaries below – these structural changes have increased demand for the big-box (100,000+ sqft) units. There is demand for an increasing number of 10-20 acres sites to support development.

8.2.5 Stakeholders were clear that planning policies shouldn't be overly prescriptive, and flexibility is required to meet market demands. Modern occupiers will often comprise a wide range of employment functions within a single site and flexible policies / allocations which can support a range of occupiers are preferred.

8.2.6 On the other hand stakeholders raised concern that the high demand for distribution uses along the strategic road corridors was crowding out other employment uses within these areas. This was particularly relevant to manufacturers within the food and drink manufacturing sector who require larger sites.

8.3 Replacement Demand

8.3.1 Many locations in the districts have significantly dated stock which may no longer be appropriate for modern employment uses. This should be assessed through the planning process through ongoing monitoring and assessment of suitability and deliverability of sites. In locations beyond the main employment corridors where rents are not sufficient to support refurb or new build opportunities, dated and suboptimal sites are still taken due to a paucity of supply. These sites can still provide for local demand and their continued economic contribution should be monitored.

8.3.2 However, sites which are no longer suitable for employment uses should not be protected, as unless via public sector intervention, these sites are unlikely to support future employment uses. In such cases, policies which allow alternative uses should be explored.

8.3.3 We recommend the Council undertake regular monitoring and review of their existing employment land stock to ensure that policies and allocations remain deliverable. We recommend the Council utilise policies whereby alternative uses be considered on demonstrably unviable or unlettable sites at these locations. A replacement demand should be provided at suitable locations such that the overall employment land supply is not eroded by such policies.

8.4 Freeport East

8.4.1 Stakeholders also identified the Freeport East as providing an additional driver for future growth in the industrial/logistics sectors in Babergh and Mid Suffolk. The rapid pace of development and high demand at the Gateway 14 designated tax site and Port One customs was cited as providing evidence of this increased demand.

8.4.2 The designated tax sites – of which Gateway 14 is one of three along with sites at Felixstowe and Harwich – are seen as the more attractive due to relief on National Insurance, stamp duty, and tax relief at these locations. Gateway 14 was cited as being particularly attractive due to its location west of the Orwell Crossing and accessibility to the national road network.

8.4.3 Development at the Freeport East sites is managed so that in order to access Freeport benefits potential occupiers meet qualifying criteria. All the development must be 'over and above' the baseline rate of growth – incoming occupiers must be new to the area or growing rather than just existing businesses relocating locally. This ensures the Freeport East delivers additional growth not just displaces existing businesses.

8.4.4 Potential occupiers also have to demonstrate:

- Ethical company credentials
- Net zero credentials
- Innovation credentials
- Skills and workforce development plan improving local economic activity rates

8.4.5 The Freeport East also has a sector requirement stipulating the types of businesses permitted at the sites. This comprises the following mix of sectors at Gateway 14, as set out in the Freeport East Business Case:

- 15% energy sector – manufacturing supply chain components
- 25% agri-tech
- 40% added value logistics
- 20% Professional Services

8.4.6 This sectoral mix was identified through consultation with local authorities, central Government, and local commercial agents. It represents a mix of aspiration and realism regarding what is likely deliverable at the site. The target mix set out in the business case is flexible and can support changing and emerging market demand.

8.4.7 However, some stakeholders expressed the view that there was going to be considerably greater demand for a higher proportion of added value logistics uses.

8.4.8 Stakeholders identified that while the Freeport East project is meant to cover a 25 year timeframe, the Gateway 14 and Port One sites are already considerably built out meaning a very limited supply for the remaining period.

8.4.9 In addition to the rapid take-up of premises at Freeport designated sites there has been considerable additional demand from new businesses related to the Freeport or the supply chain but not satisfying the requirements to locate at the Freeport Sites. The Freeport East works with such businesses to find alternative suitable premises which is usually within close proximity to the ports – i.e. within 20/30 miles covering Babergh and Mid Suffolk as well as Ipswich/Colchester.

8.4.10 This results in a significant demand for industrial/warehouse space not only at the Freeport sites themselves but also within the wider Freeport area.

8.4.11 One of the key issues raised by stakeholders with regards to site location is the challenges around connectivity to the strategic road network, to the workforce, and to utilities. This limits the potential area of search for incoming businesses. There is a need to identify new sites at accessible locations.

8.5 Sizewell C

8.5.1 Many stakeholders anticipated that there would be increased demand for industrial and warehouse space in Babergh and Mid Suffolk arising from the construction of Sizewell C power station in East Suffolk.

8.5.2 This is anticipated to support an increase in jobs within the construction sector and related supply chains. It is anticipated to have the effect of drawing jobs from a wide (regional) area but also attracting considerable additional jobs to the area for the duration of the construction phase but also to retain these businesses in the local area long term. The county councils are working to ensure that Tier 1 supply chain jobs are not only attracted to the area but retained within the area and expect the majority of additional jobs to be permanent in nature.

8.5.3 EDF Energy have produced socio-economic assessments of the impact of the construction and operational phases of development of the new power station. These set out the expected quantum and type of additional jobs expected to arise regionally.

8.5.4 Stakeholders generally felt that Ipswich would be the most attractive location for incoming businesses connected to Sizewell C. This includes the eastern end of the A14 Corridor within Babergh and Mid Suffolk. This is expected o further drive demand for industrial and warehouse space in these locations. Demand was expected to be similar to the demand profile presently at these locations, with demand for all sizes of industrial/warehouse units.

8.5.5 It was not anticipated that the Sizewell demand would significantly impact the other employment areas across the districts as these would be less accessible and less attractive to incoming occupiers.

8.6 Functional Economic Market Area

8.6.1 Ipswich is seen as the main centre of commercial market activity in the area. While there are defined sub-markets across the districts beyond Ipswich, the Ipswich market was seen to affect the property market dynamics across the districts.

8.6.2 Ipswich is also identified as being a strong draw for the labour flows across Babergh and Mid Suffolk drawing considerable inflows of commuters from these districts.

8.6.3 There is considerable overlap between the Ipswich industrial/warehouse market and the A14 Corridor market, as well as being overlapped by the Freeport East area and provide the main location for freight coming inland from Felixstowe.

8.6.4 There are also identified separate local markets along the A140 and A12 Corridors and at Sudbury and Hadleigh which provide for more local demand. Demand in these areas is predominantly driven by the growth of existing businesses with strong local links and reluctance to move out of their local area. Additionally there are requirements across the rural areas to support the agri-food sector.

8.6.5 In terms of the office market area, this is focussed in Ipswich with very little across the rest of the districts. Other competing office markets in Cambridge and Colchester were not considered to overlap the study area considerably.

8.6.6 Stakeholders felt it is important that the needs of each local market were met with sufficient deliverable site allocations rather than all development focussed in the major corridors. It is also felt that policies should ensure that each district's needs are met within the district – some stakeholders felt that historically more development has been focussed in Mid Suffolk.

8.7 Locational Demand

8.7.1 The following sections provide a summary of feedback regarding the location of demand by settlement.

8.8 A14 Corridor and Ipswich Fringe

8.8.1 Stakeholders unanimously identified the A14 Corridor as the key employment area within Babergh and Mid Suffolk.

8.8.2 All stakeholders reported that there is a strong demand for warehouse/distribution space within the A14 Corridor. The recent development at Gateway 14 was cited by many as indicative of demand in this area, where The Range have recently taken a very large 1.1million sqft distribution unit, and there have been numerous other 100,000+ sqft consented and let.

8.8.3 The primary driver for demand for distribution uses within the corridor is the proximity to the Port of Felixstowe. But there have also been significant structural changes in the distribution sector following Covid and Brexit – as outlined above – which have resulted in a significantly higher demand for warehouse/logistics space in the Corridor.

8.8.4 Most stakeholders felt that the high level of demand for distribution space at this location would not be met by the current planned development pipeline. Many stakeholders expressed the view that demand would support another similar scale development at this location. The rapid development of Gateway14 and Port One were cited as evidence of this: half of the Gateway 14 site has now been taken 3 years into development, and the recently permitted expansion at Port One provides nine additional 100,000-245,000 sqft units all of which have been taken.

8.8.5 The A14 Corridor is generally the preferred location for new businesses looking to move into the area – either national or foreign investment. Because of this, and the good strategic road access, that it was generally felt that this would be the location within the districts which would be most suitable to support incoming businesses within the supply chain of the Sizewell C development. There is also a requirement for sites for open storage within this location relating to many of the port-related uses.

8.8.6 A downside of the high levels of demand and limited supply seen in the Corridor, as well as the attractiveness of the location for incoming businesses, is that this location wasn't felt to support the needs of existing local businesses. Some stakeholders reported that in recent years the supply in this location has been focussed on meeting the large distribution users but that has meant local businesses, particularly manufacturers, have struggled to find space that meets their requirements.

8.8.7 Demand extends throughout the corridor from the Orwell Bridge (Junction 56) to Stowmarket (Junction 50). The east of the Orwell Bridge is a less commercially attractive location due to restrictive bridge access. Some stakeholders felt the corridor extended further than Stowmarket up to Bury St Edmunds, however others described this as a different market. This notwithstanding, the most commercially attractive part of the corridor falls within Babergh and Mid Suffolk districts.

8.8.8 In terms of specific sites requirements within the corridor, the main requirements are access to the A14 itself – sites must be located within easy access of the A14 junctions. Access to labour supply was cited as a key locational factor, with accessible locations preferable. Power supply was cited as a key requirement so sites should not be limited by a lack of power connectivity.

8.8.9 In terms of office requirements, stakeholder agreed that there is considerably less demand. Very low demand was reported for larger office space even for good quality existing stock. However there is some demand for smaller business units around 1,000-2,000sqft in size.

8.8.10 The eastern end of the A14 Corridor abuts the Ipswich conurbation, with locations such as Great Blakenham and Claydon in Mid Suffolk and Sproughton in Babergh considered to be contributing to meeting the needs of Ipswich as well as the port related needs from Felixstowe and the indigenous business demand of the districts.

8.8.11 There is considerable demand for industrial/warehouse sites at these locations. One of the two most commercially attractive locations in the districts, along with Stowmarket, and the major draw for incoming businesses. As such the area has seen significant major development in recent years. This high demand is anticipated to continue.

8.8.12 However, many stakeholders described the current availability here as very low supply and limited opportunities for new development. All sizes of units are in demand at these locations up to and including large distribution units. However it is felt that in particular there has been a loss of smaller units at this location in recent years resulting in a particular need for more of units 10,000-20,000 sqft.

8.8.13 The area needs additional sites to support high demand. These could be as expansions to existing employment locations. There is considered to be demand to support a new business park – similar in scale and typology to Claydon Business Park.

8.8.14 Many stakeholders also anticipate that additional demand for industrial/distribution space arising from Sizewell C or The Freeport East would be focussed at this location due to its excellent access to these sites, the national road network, and the local labour supply.

8.8.15 Ipswich is considered to have a relatively strong office market compared to Babergh and Mid Suffolk. Ipswich draws office-based demand meaning very low demand across the rest of the districts. A lack of available stock in Ipswich could mean demand at out of centre business parks at Blakenham / Claydon / Sproughton, and these were considered the most attractive locations for office development in the districts.

8.8.16 Stowmarket falls within the A14 Corridor and as such there is significant demand for industrial and logistics in and around the town. Sites close to Stowmarket are seen as commercially attractive due to the local labour market and amenities within the town. Some stakeholders reported there has been a significant delivery of residential in the town in recent years but limited delivery of local jobs through new commercial sites.

8.8.17 The Stowmarket office market is distinct from the Cambridge and Ipswich markets. However, the location is considered less attractive to office occupiers than these locations. Stakeholders described limited interest for office accommodation in the town. Interest is generally from existing local businesses, whereas incoming businesses would prefer to look elsewhere.

8.8.18 Central Stowmarket provides some larger office units around 10,000 sqft, but have attracted limited interest. Smaller units are generally more in demand and there is generally demand for smaller (2,500 – 5,000 sqft) R&D / incubator space. However much of the towns office stock is felt to be dated, resulting in a lack of take-up.

8.9 A140 Corridor

8.9.1 The A140 Corridor is considered by stakeholders to be a good employment location with a significantly different character to the A14 corridor catering to a different section of the market. The A140 doesn't have the same status as the A14 and is not considered as attractive for regional, national, and international occupiers. It caters more for local and indigenous occupiers.

8.9.2 This is due to the A14 providing a vital link between Felixstowe and the national road network. Whereas the A140 only provides links to Norfolk and Norwich. However, it was felt that occupiers looking for space with good access to Norwich would look elsewhere (outside Mid Suffolk).

8.9.3 Therefore the A140 Corridor was not felt to provide the same level of commercial attractiveness as the A14 Corridor and the A140 was felt to suffer from its proximity to this more attractive market. The southern end of the A140 provides the most attractive location within the corridor, but this was due to its proximity to the A140 which would be a preferable location for future supply.

8.9.4 The Former Eye Airfield site provides a significant supply of employment land but was generally felt to be in a less accessible location and as such catered to predominantly local demand. It was felt that it could potentially accommodate overspill from Diss Business Park (in South Norfolk) which is now full. This business park is considered popular to smaller and local occupiers.

8.9.5 Stakeholders reported a demand for smaller industrial units in this corridor 5,000-20,000 sqft as well as flexible mid-box units around 20,000-40,000 sqft in size.

8.10 Sudbury

8.10.1 Sudbury is described by stakeholders as having a distinct local commercial market. The majority of stakeholders agreed there is a strong industrial market but no demand for office space.

8.10.2 The Sudbury industrial market is characterised as being driven by longstanding occupiers, many of whom have longstanding links within the local economy and labour market.

8.10.3 As a result local businesses are keen to remain within the Sudbury market (within 6-7 miles of Sudbury) when looking for expansion or move on space. Some stakeholders described occupiers taking suboptimal space within the Sudbury market or even scaling back or delaying growth plans rather than consider taking space or moving operations outside of Sudbury.

8.10.4 Conversely, the area is not considered an attractive location for incoming businesses looking to move into the district. It was felt that the area's lack of accessibility to the strategic road network and larger population and commercial centres was seen as a limiting factor. It was felt that other parts of the districts which benefit from these factors – such as the areas outlined above – see greater demand from outside investment.

8.10.5 As a result, take-up of space in the Sudbury market is predominantly due to the expansion of existing businesses. This is mostly through development at existing sites, and also taking existing stock as it becomes available.

8.10.6 Stakeholders expressed there is a strong demand for industrial units of all sizes. With a particular demand for smaller flexible business units around 1,000 sqft in size.

8.10.7 However the rental tone of the area – around £10-12 psf – restricts this to secondary stock. While values in the area have increased in recent years, this was starting from a low base and lower than elsewhere in the district. The values won't support new build at this location.

8.10.8 This means the supply of existing units is sought after. However the stakeholder consensus is that many of the undeveloped sites are unlikely to provide deliverable development opportunities, excepting as expansion opportunities for existing businesses. By its nature, it is hard to predict and plan for the scale and location of this type of demand as it is intrinsically linked to individual business needs and aspirations.

8.11 Hadleigh

8.11.1 Hadleigh, like Sudbury, is described as having a predominantly local industrial market with demand driven by existing local businesses. The local industrial market is closely linked to the local workforce. There is no demand for office space.

8.11.2 Stakeholders reported demand in Hadleigh for smaller industrial units and starter units around 1,000 sqft in size.

8.11.3 The existing commercial stock is sought after however much of it is considerably dated and becoming unsuitable for modern business needs. Stakeholders report a need for updated premises within the local area as local business would rather take unsuitable units than move out of the area. Many of the existing development sites are not considered deliverable or viable.

8.11.4 Unlike Sudbury, Hadleigh doesn't support sufficient commercial activity to constitute its own sub-market. It forms part of Babergh's rural hinterland within the A14 Corridor /Ipswich Fringe sub-area.

8.12 A12 Corridor

8.12.1 The A12 Corridor is considered by stakeholders to be considerably less attractive than the A14 Corridor. A very small proportion of freight from Felixstowe travels down the A12, and similarly there is a limited flow of freight north from Harwich. Additionally, the southern part of Babergh district is constrained by the Dedham Vale AONB.

8.12.2 There was felt to be some demand in this location for industrial/distribution sites with good access to the A14. Nonetheless demand was considered limited.

8.12.3 Unlike the A14 and A140 Corridors, the A12 Corridor in Babergh doesn't support sufficient commercial activity to constitute its own sub-market. The northern end falls within the A14 Corridor /Ipswich Fringe sub-area as the attractiveness of this location is more strongly influenced by proximity to the A14 than the A12 itself.

8.12.4 Further south beyond Capel St Mary, demand is limited to expansion of existing local occupiers and is similar in character to the rest of the rural Colchester sub-area in Babergh and thus forms part of this sub-area.

8.13 Rural Areas

8.13.1 Many stakeholders emphasised the districts' rural economy – particularly relating to the agri-tech sector. There is a need to ensure there is a supply of employment sites across the districts, not just concentrated within the main towns and corridors.

8.13.2 Much of the rural demand is driven by the agri-food sector, with demand arising from existing local businesses looking for expansion or grow on opportunities as well as national operators looking for consolidations of their operations. Many businesses within the sector require quite large sites. Other often cited site requirements are power and water supply.

8.14 Summary

8.14.1 This Section provides a summary of the feedback received from the stakeholder interviews. The interviews were undertaken early within the preparation process of this document and the stakeholder feedback has been used throughout the other sections of this report.

8.14.2 The stakeholder feedback has particularly informed the qualitative assessment of employment land needs across the districts and within the identified sub-market areas (in Section 9 of this report); assessment of the various economic growth scenarios (also Section 9); the stakeholder feedback has also informed the development of the growth scenarios (in Section 10).

9.0 EMPLOYMENT LAND REQUIREMENTS

9.1 Labour Demand Scenarios

9.1.1 This section considers the quantum of employment land needed to support the employment growth shown in the economic forecasts for CE, OE, and Experian. This is one of the approaches to assessing future need – the 'labour demand' approach – as set out in the PPG and should be considered alongside other approaches to assessing future need and the economic and contextual data set out in the other sections of the report.

9.1.2 The starting point for the labour demand scenarios is the economic forecast from CE, OE, and Experian. Analysis and comparison of these forecasts are set out in more detail in Section 7, and employment outputs for each forecast are set out below.

9.1.3 The outputs of each forecast are provided on a sectoral basis which together cover all of the jobs within Babergh and Mid Suffolk's economy. The sectoral breakdown differs slightly between each forecast as the forecasts group sectors in different ways – with the CE forecast aggregated to 12 sectors, OE to 19 sectors, and Experian to 38 sectors.

9.1.4 The sectors in each forecast are aggregations of jobs as defined by the Standard Industrial Classification (SIC) codes defined by ONS. This covers all existing jobs within the economy. Any new jobs in emerging sectors (e.g. emerging technologies, green sector) will be accounted for within the SIC codes and therefore within all three forecasts, however they may be split across the traditional industrial sectors – for example green sector jobs would appear in Manufacturing, Utilities, and Financial and business services.

Table 28. CE – Employment Growth 2023-37

CE	Babergh	Mid Suffolk
Agriculture etc	-68	-154
Mining & quarrying	0	-2
Manufacturing	-513	-273
Electricity, gas & water	13	33
Construction	289	2,118
Wholesale and retail	542	611
Transport & storage	165	388
Accommodation & food services	544	436
Information & communications	151	181
Financial & business services	839	1,000
Government services	377	791
Other services	17	133
Total	**2,356**	**5,262**

Table 29. OE – Employment Growth 2023-37

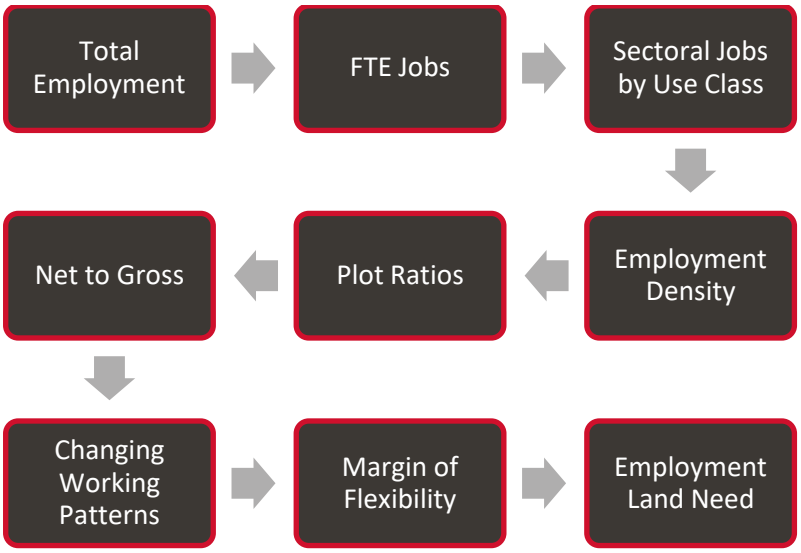
OE	Babergh	Mid Suffolk
Agriculture, forestry and fishing	-44	-62
Mining and quarrying	0	-5
Manufacturing	-1,220	-1,264
Electricity, gas, steam and air conditioning supply	0	-10
Water supply; sewerage, waste management	-21	-5
Construction	198	1,002
Wholesale and retail trade	-51	18
Transportation and storage	-82	-91
Accommodation and food service activities	-102	-15
Information and communication	229	144
Financial and insurance activities	010	51
Real estate activities	-24	-15
Professional, scientific and technical activities	368	437
Administrative and support service activities	275	484
Public administration and defence	-25	-197
Education	52	-108
Human health and social work activities	436	306
Arts, entertainment and recreation	180	230
Other service activities	43	37
Total	**220**	**937**

Table 30. Experian – Employment Growth 2023-37

	Babergh	Mid Suffolk
Accommodation & Food Services	200	200
Administrative & Supportive Services	100	100
Agriculture, Forestry & Fishing	100	100
Air & Water Transport	0	0
Chemicals (manufacture of)	-100	0
Civil Engineering	0	200
Computer & Electronic Products (manufacture of)	-200	0
Computing & Information Services	0	0
Construction of Buildings	0	100
Education	300	300
Extraction & Mining	0	0
Finance	0	0
Food, Drink & Tobacco (manufacture of)	0	-200
Fuel Refining	0	0
Health	100	200
Insurance & Pensions	0	0
Land Transport, Storage & Post	100	400
Machinery & Equipment (manufacture of)	-200	-100
Media Activities	0	0
Metal Products (manufacture of)	0	0
Non-Metallic Products (manufacture of)	-100	0
Other Manufacturing	0	0
Other Private Services	0	0
Pharmaceuticals (manufacture of)	0	0
Printing and Recorded Media (manufacture of)	0	0
Professional Services	300	400
Public Administration & Defence	0	0
Real Estate	0	0
Recreation	100	0
Residential Care & Social Work	0	200
Retail	-400	-100
Specialised Construction Activities	100	400
Telecoms	0	0
Textiles & Clothing (manufacture of)	-100	0
Transport Equipment (manufacture of)	0	0
Utilities	0	0
Wholesale	-100	-200
Wood & Paper (manufacture of)	0	0
Total	**200**	**2,000**

9.1.5 The approach to modelling the labour demand scenarios is set out in the flow chart below. The starting point for each scenario is the total net growth in employment in each sector shown in each forecast. Other than these differing inputs, the modelling assumptions made are consistent for each scenario.

Figure 47: Approach to Employment Land Needs Modelling



9.1.6 The modelling assumptions for each stage are set out in the table below:

Table 31. Labour Demand Modelling Assumptions

Stage	Description
FTE Jobs	Full time equivalent (FTE) jobs have been calculated for each sector based on the ratio of full-time and part-time employment jobs for each sector in Babergh and Mid Suffolk using data from BRES 2022.
Sectoral Jobs by Use Class	The proportion of jobs in each sector is disaggregated by the type of employment (B Class)[8] use class and non-employment use classes. The use classes are: • B1a / E(g)(i) – office • B1b / E(g)(ii) – Research and development office • B1c / E(g)(iii) – Light Industrial • B2 – General Industrial • B8 – Distribution • Other (any jobs not based in the above use classes) The use class proportions for each sector are based on a detailed assessment of the current

[8] It is noted that B1 uses are now designated under Use Class E. However, the modelling takes account of the employment densities set out in the HCA Employment Density Guide 3rd Edition which provides figures in terms of the B Class sectors.

Stage	Description
	breakdown of jobs in the sub-sectors within each sector in Babergh's and Mid Suffolk's economy (using SIC 5-digit data from BRES 2022). Each SIC5 sub-sector has been allocated a use class, and this is used to calculate the proportional jobs in each sector by use class, where the proportions of each sector reflect the proportions of jobs in each SIC5 sub-sector.

Employment Density	This reflects the quantum of floorspace required for each job. This is informed by the Employment Density Guide 3rd Edition (HCA, 2015) which remains the latest official guidance on this topic[9]. The following employment densities are used:
	• B1a office:
	  ○ Corporate: 13 sqm/job
	  ○ Technology / Media / Telecoms: 11 sqm/job
	  ○ Professional services: 12 sqm/job
	  ○ Public services: 12sqm/job
	• B1b Research and Development: 40 sqm/job
	• B1c Light Industrial: 47 sqm/job
	• B2 general industrial: 36 sqm/job
	• B8 distribution: 70 sqm/job
	The employment densities have then been adjusted in line with benchmarks in the guidance so that they all relate to gross external area (GEA). The employment densities for B1 are quoted as net internal area (NIA) and have been converted to GEA based on a conversion of 20% for B1a office and 10% for B1b and B1c. The employment densities for B2 are quoted for gross internal area (GIA) and have been converted to GEA based on a conversion of 5%. The employment densities for B8 are quoted as GEA.
	The Guidance provides a range of employment densities for B8 uses. Based on the analysis of the previous sections of this report – the existing economic profile of the district, analysis of past completions data, and feedback from the stakeholder engagement process – the evidence shows that B8 demand in Babergh and Mid Suffolk is principally being driven by smaller to mid-market occupiers. For this reason, an employment density of 70sqm per job has been used. In accordance with the Guidance, this represents a figure more typical of 'final mile' distribution as opposed to large scale national distribution centres.

Plot Ratios	The next stage is to convert floorspace requirements to land requirements. A plot ratio of 40% has been assumed for B1b, B1c, B2, and B8 use classes. For B1a, a plot ratio of 0.4 is also used based on the assumption that the future office development will broadly follow the past delivery trends where the majority of office space was completed at out-of-town locations.

[9] The HCA Employment densities guide was published in 2015 and while it is recognised that current business operations have evolved since its publication, the Guide remains is the most recent guide. It is used within the modelling; however it is recognised that there is a substantial margin of error. This provides one justification for the inclusion of a margin of flexibility.

Stage	Description
Net to Gross	The economic forecasts all provide jobs growth on a net basis – i.e. they include for sectors which will see growth and sectors which will see decline. This means the growth figures derived via the modelling stages to this point, as set out above, estimate the employment land required to support net jobs growth. However, when identifying future land for employment uses, e.g. through employment allocations, it is necessary to account for gross development needs. This accounts for existing employment sites and premises coming to the end of their usable lifespan and/or being redeveloped for alternative uses. This means existing jobs at such sites relocating to alternative, more suitable sites, and land needs to be provided to enable this. The next stage is therefore to convert the net needs to gross development needs. This is done by accounting for the quantum of losses of existing stock which will be expected to be lost over the forecasting period. This is estimated based on past trends of employment land lost to other uses annualised and then forecast forward over the forecasting period. There is considerable emerging evidence on changing working patterns resulting in a reduction in the need for office floorspace. A reduction has been applied to future office space to meet jobs growth (see below). Additionally, the changing demand will impact on the need to replace existing office stock coming to the end of its lifespan, with lower demand for replacement stock to make up for this shortfall. A sensitivity has therefore been considered where replacement demand for office uses is omitted.
Changing Working Patterns	A key factor that should be considered is that the lockdown following the outbreak of Covid-19 has enforced many more people to work from home, which can result in lower office space requirements. However, the lockdown rate of homeworking is not expected to continue in the long-term, and levels of home working have started to drop. There is also a limit to the level of scaling back which is practicable without compromising business operations, even for businesses practicing increased flexible working. Consideration has therefore been given to the increasing rate of flexible working in office-based sectors. Rates of home working have been forecast on sector-by-sector basis based on national trends. Home working rates have been projected forward to 2040 based on previous growth rates. These are then used to calculate FTE jobs for home workers based on the proportion of jobs in each sector which require B1a space within Babergh and Mid Suffolk, based on the analysis undertaken in the 'Sectoral Jobs by Use Class' stage. This is used to calculate the proportion of office jobs in Babergh and Mid Suffolk which will be predominantly working from home by 2037. It is assumed that these jobs will not require office floorspace and is therefore deducted from the requirement. Additionally, as set out above, there will likely be a lower demand for office floorspace needed to replace existing stock lost to other uses. A sensitivity has therefore been

Stage	Description
	considered where replacement demand for office uses is omitted.
Margin of Flexibility	A margin of flexibility is included to reflect the following factors: • To provide a choice of sites to facilitate competition in the property market; • To provide flexibility to allow for any delays in individual sites coming forward; • In recognition that changing business needs may present additional land requirements which are currently unforeseen; • The potential error margin associated with the forecasting process. The size of the margin of flexibility depends on the location and local drivers of demand. Generally, a flexibility margin providing between 2 and 5 years' worth of completions can be used based on the past completions data for Babergh and Mid Suffolk. For this study the completions data is drawn from CoStar data due to a lack of availability of monitoring data from the Council. It is therefore considered more appropriate to apply a margin at the smaller end of the range as it is drawn from less robust data. Accordingly, we have calculated the margin of flexibility based on 2 years' worth of completions based on the past completions data for Babergh and Mid Suffolk.
Total Land Needs	Outputs are provided in terms of hectares required for each type of employment use. The use classes have been combined in terms of B1a / E(g)(i) office, B1b / E(g)(ii) R&D, B1c/ E(g)(iii) and B2 industrial, and B8 distribution. This is in order to provide an indication of demand for each type of use.

9.1.7 The starting point for the labour demand modelling is the jobs growth forecasts. A worked example of this process is set out below based on the CE[10] forecast. The scenario based on the other forecasts take the same approach and use the same modelling assumptions. The CE, OE, and Experian forecasts provide slightly different sectoral breakdowns and so the model has been calibrated where necessary to support each forecast by dividing sectors on a proportional basis, thereby ensuring consistency in modelling between scenarios.

9.2 Full Time Equivalent (FTE) jobs

9.2.1 The first stage is to calculate the FTE jobs. This is calculated individually for each sector in each forecast based on the ratio of full-time and part-time employment jobs for each sector in Babergh and Mid Suffolk using data from BRES 2022.

[10] The CE forecast has been chosen as a worked example due to it disaggregating outputs across a smaller number of sectors thus making the process easier to present.

Table 32. CE – FTE Jobs Growth 2023-37

	Babergh		Mid Suffolk	
Sector	**FTE %**	**FTE Jobs Growth**	**FTE %**	**FTE Jobs Growth**
Agriculture etc	95%	-65	94%	-145
Mining & quarrying	100%	-	100%	-2
Manufacturing	93%	-479	95%	-259
Electricity, gas & water	96%	13	96%	32
Construction	91%	263	94%	1,993
Distribution	79%	426	83%	509
Transport & storage	95%	157	95%	369
Accommodation & food services	69%	377	67%	294
Information & communications	94%	142	89%	162
Financial & business services	85%	717	87%	871
Government services	77%	289	74%	588
Other services	75%	13	74%	99
Total	-	**1,851**	-	**4,510**

9.3 Employment Density

9.3.1 Applying the average employment densities results in the floorspace requirement for each type of employment use. The percentages represent the types of employment site that a typical business within that sector will occupy. This has been estimated for each sector based on a summation of the current business profile of that sector in each district[11].

9.3.2 This has been assessed at detailed (5-digit SIC sub-sector) level. This has been calculated separately for each district based on the different employment profiles of each district and so the outputs for each district differ slightly.

9.3.3 The floorspace % is shown in the tables overleaf.

[11] For example, the construction sector, the majority of jobs in construction sub-sectors are off-site – e.g. local tradesmen with low land requirements. This is reflected in high 'Other' %. Some construction businesses will require sites for the storage of materials, vehicles, etc, which are more reasonably characterised as B8 than B2.

Table 33. Floorspace % by Use Class – Babergh

	B1a	B1b	B1c	B2	B8	Other
Agriculture etc	0%	0%	0%	0%	0%	100%
Mining & quarrying	0%	0%	0%	0%	0%	100%
Manufacturing	0%	0%	4%	94%	0%	3%
Electricity, gas & water	0%	0%	0%	9%	0%	91%
Construction	0%	0%	0%	0%	25%	75%
Wholesale and Retail	0%	0%	0%	0%	20%	80%
Transport & storage	0%	0%	0%	0%	40%	60%
Accommodation & food services	0%	0%	0%	0%	0%	100%
Information & communications	98%	0%	2%	0%	0%	0%
Financial & business services	55%	4%	6%	0%	3%	32%
Public Sector	2%	0%	0%	0%	0%	98%
Other services	3%	0%	0%	0%	0%	97%

Table 34. Floorspace % by Use Class – Mid Suffolk

	B1a	B1b	B1c	B2	B8	Other
Agriculture etc	0%	0%	0%	0%	0%	100%
Mining & quarrying	0%	0%	0%	0%	0%	100%
Manufacturing	0%	0%	3%	97%	0%	0%
Electricity, gas & water	0%	0%	0%	9%	0%	91%
Construction	0%	0%	0%	0%	25%	75%
Wholesale and Retail	0%	0%	0%	0%	30%	70%
Transport & storage	0%	0%	0%	0%	57%	43%
Accommodation & food services	0%	0%	0%	0%	0%	100%
Information & communications	90%	0%	10%	0%	0%	0%
Financial & business services	36%	14%	4%	0%	9%	38%
Public Sector	11%	0%	0%	0%	0%	89%
Other services	2%	0%	0%	0%	0%	97%

9.4 Plot Ratios

9.4.1 Using assumed plot ratios, the future floorspace requirement figures identified above can be used to estimate future employment land requirements. This is the net employment land required to support the level of additional jobs growth shown in the econometric forecasts.

9.4.2 The tables below show the employment land requirement for the net jobs growth shown in the CE, OE, and Experian forecasts. The difference in these figures reflect the sectoral forecast differences highlighted in the above section, specifically for manufacturing, and transport and storage. For example, all forecasts showed a negative growth in the Manufacturing sector and so all have negative net industrial (B2) land requirements. However, the OE forecast shows the largest quantum of job losses which is reflected in the largest negative land requirement.

Table 35. Net Employment Land Needs (ha), 2023-37 – Babergh

	B1a	B1b	B1c	B2	B8	Total
CE	1.9	0.3	0.4	-4.2	4.2	**2.5**
OE	1.7	0.3	0.0	-10.1	0.5	**-7.7**
Experian	0.8	0.2	0.3	-6.2	-0.4	**-5.3**

Table 36. Net Employment Land Needs (ha), 2023-37 – Mid Suffolk

	B1a	B1b	B1c	B2	B8	Total
CE	1.8	1.3	0.5	-2.4	16.5	**17.8**
OE	0.8	1.4	0.2	-11.0	4.8	**-3.7**
Experian	0.7	1.3	0.1	-2.7	3.7	**3.2**

9.5 Net to Gross Needs

9.5.1 The figures in the table above show the net need for employment land to support the levels of jobs growth identified in the economic forecasts. In addition to this, there will also be an employment land requirement arising from the need to update and replace existing stock lost to alternative uses.

9.5.2 This is done by accounting for the quantum of losses of existing stock which will be expected to be lost and need replacing over the forecasting period. This is estimated based on past trends of employment land lost to other uses as set out in Section 6[12].

9.5.3 The net losses data has been extrapolated forward to identify the replacement demand required for the forecasting period. This is then converted to land requirement using the plot ratios used in the main labour demand modelling.

Table 37. Loss Replacement (ha), 2023-37 – Babergh

	B1a	B1b	B1c	B2	B8	Total
Loss Replacement	8.1	0.0	1.4	7.1	1.1	**17.7**

Table 38. Loss Replacement (ha), 2023-37 – Mid Suffolk

	B1a	B1b	B1c	B2	B8	Total
Loss Replacement	5.5	0.0	0.3	10.8	3.8	**20.5**

9.5.4 There is considerable emerging evidence on changing working patterns resulting in a reduction in the need for office floorspace. LSH analysis, set out in Section 5, shows that this could be as much as 15-20%. However at this point in time there is considerable uncertainty regarding what will constitute the 'new normal' in terms of hybrid working practices and the implications on office floorspace requirements, and this forecast

[12] This section also considers the impact of the permitted development rights to allow a change of use of commercial, business and service uses to dwellinghouses.

figure draws heavily on businesses' reported future plans and intentions as much as evidence of implementation, the data for which in emerging and inconclusive.

9.5.5 Therefore, while the evidence on changing working practices in the office sector does suggest there will be some reduction in demand, quantification of this impact is currently inconclusive. These impacts have been modelled within the modelling of employment land to support future jobs growth needs. However, we would therefore recommend the Council take a cautious approach to widescale rationalisation of the district's office stock.

9.5.6 This notwithstanding, the usual recommended approach of replacing older existing office stock which is no longer suitable for modern business needs, appears less appropriate in the context of the reduced demand due to changing working practices. This would suggest a lower demand for replacement stock to make up for this shortfall and represents a natural approach to potentially rationalising Babergh and Mid Suffolk's office profile. A sensitivity has therefore been considered where replacement demand for office uses is omitted.

9.6 Margin of Flexibility

9.6.1 A margin of flexibility is included for a number of reasons: in recognition that changing business needs may present additional land requirements which are currently unforeseen; to provide a choice of sites to facilitate competition in the property market; to provide flexibility to allow for any delays in individual sites coming forward; and to account for the potential error margin associated with the forecasting process.

9.6.2 Further to this, as per paragraph 82 d) of the NPPF, it is outlined that planning policies should "be flexible enough to accommodate needs not anticipated in the plan, allow for new and flexible working practices (such as live-work accommodation), and to enable a rapid response to changes in economic circumstances."

9.6.3 The margin of flexibility has been considered based on a number of years' worth of completions in Babergh and Mid Suffolk. It is typical to add between 2-5 years' worth of completions as a margin.

9.6.4 For this study it is considered appropriate to apply a margin at the smaller end of the range reflecting the length of forecasting period. Accordingly, we have calculated the margin of flexibility based on 2 years' worth of completions based on the past completions data for Babergh and Mid Suffolk.

Table 39. Flexibility Margin (ha) 2023-37 – Babergh

	B1	B2 & B8	Total
Margin	0.03	3.1	**3.1**

Table 40. Flexibility Margin (ha) 2023-37 – Mid Suffolk

	B1	B2 & B8	Total
Margin	0.7	6.0	**6.6**

9.7 Total Employment Land Needs – Baseline Scenarios

9.7.1 The labour demand scenarios are calculated by taking the sum of the net employment land needs, the net to gross demand, and the flexibility margin to identify the total employment land requirement.

9.7.2 The tables below show the outputs of the labour demand scenarios. This provides 3 scenarios for each district which provide estimates of future employment land needs for the period 2023-37.

9.7.3 These figures identify a range of total gross employment land need figures and do not take account of the current supply position or existing or future allocations which could contribute to meeting this need.

i) Babergh

Table 41. CE Baseline Forecast 2023-37 – Babergh

	B1a	B1b	B1c	B2	B8	Total
CE	1.9	0.3	2.5	-4.2	4.2	**2.5**
Loss Replacement	8.1	0	1.4	7.1	1.1	**17.7**
Flexibility Margin	0.03			3.1		**3.1**
Total	**14.2**			**11.3**		**25.5**

Table 42. OE Baseline Forecast 2023-37 – Babergh

	B1a	B1b	B1c	B2	B8	Total
OE	1.7	0.3	0.0	-10.1	0.5	**-7.7**
Loss Replacement	8.1	0.0	1.4	7.1	1.1	**17.7**
Flexibility Margin	0.03			3.1		**3.1**
Total	**11.5**			**1.7**		**13.2**

Table 43. Experian Baseline Forecast 2023-37 – Babergh

	B1a	B1b	B1c	B2	B8	Total
Experian	0.8	0.2	0.3	-6.2	-0.4	**-5.3**
Loss Replacement	8.1	0.0	1.4	7.1	1.1	**17.7**
Flexibility Margin	0.03			3.1		**3.1**
Total	**10.8**			**4.7**		**15.5**

ii) Mid Suffolk

Table 44. CE Baseline Forecast 2023-37 – Mid Suffolk

	B1a	B1b	B1c	B2	B8	Total
CE	1.8	1.3	0.5	-2.4	16.5	**17.8**
Loss Replacement	5.5	0.0	0.3	10.8	3.8	**20.5**
Flexibility Margin	0.7			6.0		**6.6**
Total	**10.1**			**34.7**		**44.7**

Table 45. OE Baseline Forecast 2023-37 – Mid Suffolk

	B1a	B1b	B1c	B2	B8	Total
OE	0.8	1.4	0.2	-11.0	4.8	**-3.7**
Loss Replacement	5.5	0.0	0.3	10.8	3.8	**20.5**
Flexibility Margin	0.7			6.0		**6.6**
Total	**8.9**			**14.4**		**23.2**

Table 46. Experian Baseline Forecast 2023-37 – Mid Suffolk

	B1a	B1b	B1c	B2	B8	Total
Experian	0.7	1.3	0.1	-2.7	3.7	**3.2**
Loss Replacement	5.5	0.0	0.3	10.8	3.8	**20.5**
Flexibility Margin	0.7			6.0		**6.6**
Total	**8.6**			**21.6**		**30.1**

9.8 Changing Trends in Working from Home

9.8.1 Sensitivity scenarios have been calculated accounting for the impact of changing trends in working from home on the requirement of employment space.

9.8.2 Levels of homeworking had been rising nationally, and this trend has been significantly accelerated by the recent covid-19 pandemic. This is explored in detail in Section 5 of this report. As such, it is appropriate to consider the implications that changing working patterns will likely have on the future office requirement going forward and making an appropriate adjustment to the overall office need figure.

9.8.3 This has been done through two adjustments:

1. Adjusting the quantum of office floorspace need arising from new office-based jobs
2. Adjusting the quantum of replacement demand for office premises.

i) *The quantum of office floorspace need arising from new jobs*

9.8.4 An additional 'Working from Home Adjustment' has been applied to the employment forecasts to estimate the increase in jobs in each sector which will take place from home and therefore not require additional office floorspace. This is calculated by rolling forward the past growth rate for sectoral home working to 2040 and applying this rate of home working, rather than the pre-Covid-19 rate (implicit in the employment densities) to future office requirements.

9.8.5 This is done for each sector and results in a total proportion of home working of 9.0% by 2040 although for office-based sectors this is generally higher – the highest is IT and Communications which grows to 23.3%.

Table 47. Percentage Working from Home per Sector

	2019	2040
Mining and quarrying	5.7%	17.3%
Manufacturing	4.4%	6.9%
Electricity, gas, air cond supply	4.9%	14.1%
Water supply, sewerage, waste	1.9%	4.5%
Construction	4.5%	7.3%
Wholesale, retail, repair of vehicles	3.9%	6.1%
Transport and storage	1.9%	2.9%
Accommodation and food services	3.4%	2.4%
Information and communication	15.4%	23.3%
Financial and insurance activities	5.4%	13.3%
Real estate activities	13.6%	15.3%
Prof, scientific, technical activ.	13.5%	17.8%
Admin and support services	6.0%	10.4%
Public admin and defence	2.7%	6.2%
Education	3.0%	5.8%
Health and social work	4.1%	5.8%
Arts, entertainment and recreation	11.2%	12.6%
Total	**6.0%**	**9.0%**

9.8.6 The increase in homeworking for each sector is then factored into the employment land modelling for Babergh and Mid Suffolk. The total FTE jobs in each sector by 2040 is taken for each of the forecasts (the table below shows the figures from the CE forecast as a worked example). The proportions of each sector which will require office (B1a / E(g)(i) floorspace has been applied on a consistent basis as set out in the 'Sectoral Jobs by Use Class' stage above. This gives the number of FTE jobs in each sector which will likely require office floorspace. The sectoral projection of workers working from home in each sector is then applied to identify the number of office workers in each sector who will predominantly work from home.

9.8.7 This identifies that, based on the current and project jobs profile in Babergh and Mid Suffolk, the office homeworking figure for Babergh is expected to increase to 17.0-18.5% and for Mid Suffolk to 14.6-15.3% by the end of the period.

9.8.8 An adjustment should therefore be made to the future office requirement in response to the actual and expected future changes in working patterns. This adjustment applies to the new space to support net jobs growth as well as the flexibility margin.

ii) *Replacement demand for office premises*

9.8.9 As set out in Section 5, emerging evidence suggests that changing working patterns could result in the need for office floorspace by as much as 15-20%. However, at this point in time there is considerable uncertainty regarding what will constitute the 'new normal' in terms of hybrid working practices and the implications

on office floorspace requirements, and this forecast figure draws heavily on businesses' reported future plans and intentions as much as evidence of implementation, the data for which in emerging and inconclusive.

9.8.10 Therefore, while the evidence on changing working practices in the office sector does suggest there will be some reduction in demand, quantification of this impact is currently inconclusive. However, we would therefore recommend the Councils take a cautious approach to widescale rationalisation of the districts' office stock.

9.8.11 This notwithstanding, the usual recommended approach of replacing older existing office stock which is no longer suitable for modern business needs, appears less appropriate in the context of the reduced demand due to changing working practices. This would suggest a lower demand for replacement stock to make up for this shortfall.

9.8.12 A sensitivity has therefore been considered where replacement demand for office uses has been omitted. This assumes that old marginal office stock will continue to be lost at historic rates but this lost stock will not require direct replacement due to reduced demands for office space. This represents a natural approach to potentially rationalising the office profile.

iii) *WFH Sensitivity Scenarios – Babergh*

9.8.13 The result of this working from home adjustment alters the total employment land needs as follows. This results in three sensitivity scenarios which all show a reduction in the office requirement shown in the respective baseline forecasts, while the industrial requirement remains unchanged.

Table 48. CE Baseline Forecast 2023-37 – Babergh

	B1a	B1b	B1c	B2	B8	Total
CE	1.6	0.3	0.4	-4.2	4.2	**2.2**
Loss Replacement	0.0	0.0	1.4	7.1	1.1	**9.6**
Flexibility Margin	0.03			3.1		**3.1**
Total	**3.7**			**11.3**		**15.0**

Table 49. OE Baseline Forecast 2023-37 – Babergh

	B1a	B1b	B1c	B2	B8	Total
OE	1.4	0.3	0.0	-10.1	0.5	**-8.0**
Loss Replacement	0.0	0.0	1.4	7.1	1.1	**9.6**
Flexibility Margin	0.03			3.1		**3.1**
Total	**3.1**			**1.7**		**4.8**

Table 50. Experian Baseline Forecast 2023-37 – Babergh

	B1a	B1b	B1c	B2	B8	Total
Experian	0.7	0.2	0.3	-6.2	-0.4	**-5.4**
Loss Replacement	0.0	0.0	1.4	7.1	1.1	**9.6**
Flexibility Margin	0.03			3.1		**3.1**
Total	**2.6**			**4.7**		**7.3**

iii) WFH Sensitivity Scenarios – Mid Suffolk

Table 51. CE Baseline Forecast 2023-37 – Mid Suffolk

	B1a	B1b	B1c	B2	B8	Total
CE	1.5	1.3	0.5	-2.4	16.5	**17.5**
Loss Replacement	0.0	0.0	0.3	10.8	3.8	**15.0**
Flexibility Margin	0.7			6.0		**6.6**
Total	**4.3**			**34.7**		**38.9**

Table 52. OE Baseline Forecast 2023-37 – Mid Suffolk

	B1a	B1b	B1c	B2	B8	Total
OE	0.7	1.4	0.2	-11.0	4.8	**-3.9**
Loss Replacement	0.0	0.0	0.3	10.8	3.8	**15.0**
Flexibility Margin	0.7			6.0		**6.6**
Total	**3.3**			**14.4**		**17.6**

Table 53. Experian Baseline Forecast 2023-37 – Mid Suffolk

	B1a	B1b	B1c	B2	B8	Total
Experian	0.6	1.3	0.1	-2.7	3.7	**3.1**
Loss Replacement	0.0	0.0	0.3	10.8	3.8	**15.0**
Flexibility Margin	0.7			6.0		**6.6**
Total	**3.0**			**21.6**		**24.5**

9.8.14 The sensitivity scenarios significantly reduce the office element of the requirement, which is to be expected given that the baseline scenarios are based on data[13] which pre-dates the pandemic and the considerable changes in home and hybrid working which came with it.

9.8.15 It is notable that the office requirement identified in the sensitivity scenarios is considerably closer aligned to the scenarios based on the past completions trend – which is also drawn from data which partially pre-dates the pandemic. The baseline scenarios identify future office requirements which are considerably higher than past delivery in Babergh and Mid Suffolk despite the considerable increases in working from home rates, and contrary to stakeholder feedback and wider commercial market signals. This suggests that

[13] Employment Density data, and losses data

the sensitivity scenarios provide the more suitable labour demand scenarios for forecasting future employment land needs in Babergh and Mid Suffolk.

10.0 GROWTH SCENARIOS

10.1 Introduction

10.1.1 The previous section has identified the quantum of employment land required in Babergh and Mid Suffolk to support the level of demand indicated in the baseline forecasts or with a continuation of past completion rates. However, these scenarios do not take account of future major developments which will not be reflected within the historic jobs growth or completions data.

10.1.2 This section considers the implication on employment land demands of two major planned developments:

1. The recent designation of the Freeport East
2. The proposed construction of a new power station at Sizewell C in East Suffolk

10.1.3 These developments will provide considerable direct employment opportunities at the development sites as well as indirect jobs within the supply chains within the local economy – which for both projects includes Babergh and Mid Suffolk. While the direct jobs will take place at the sites – the designated Freeport Sites, and the Sizewell C site itself – the indirect jobs will require additional employment sites to support local growth.

10.1.4 The scale of additional employment land demand arising in Mid Suffolk and Babergh from these developments is calculated in turn below:

10.2 Freeport East

10.2.1 Freeport East is one of 12 freeports in the United Kingdom introduced by central government in 2021 in order to identify geographical areas across the country where businesses can benefit from tax reliefs to incentivise investment and to boost employment.

10.2.2 Freeport East is positioned on the east coast of England and encompassing parts of Suffolk and Essex. Freeport East has a targeted set of significant tax reliefs to help boost new investment. These reliefs only apply on the designated tax sites at Felixstowe, Harwich, and Gateway 14 in Mid Suffolk.

10.2.3 Freeport East is one of the world's major trade routes connecting the UK directly with markets around the world. The Port of Felixstowe boasts the UK's busiest intermodal rail freight terminal for distribution throughout the country, the A14 road and rail corridor connects Freeport East to the Northern Powerhouse and Midlands Engine, whilst the A12 and mainline rail connects the region with the Greater South East and markets in London, and there are a range of short-sea connections from both Harwich and Felixstowe. Freeport East is well placed to attract global investors looking to use the UK as a springboard for their products to access domestic, European and rest of the world markets.

Figure 48: Freeport East Area

Source: Freeport East

10.3 Economic Impacts of Freeport East

10.3.1 Freeport East is a transformational investment of more than £246m, leveraging billions of addition investment into a coastal, the potential to create 275 hectares of new development land in a Freeport environment, more than 10,000 high-value new jobs, and a GVA of up to £5.5bn over a 10-year period.

10.3.2 Freeport East covers over a thousand square kilometres in total, encompassing an area centred around Felixstowe and Harwich inland around 20-30 miles and includes Sudbury and Stowmarket and the hinterland in between.

10.3.3 Freeport East covers three Tax Sites – Felixstowe, Harwich, and Gateway 14 in Mid Suffolk. These sites benefit from various tax relief and exemptions. There are a number of other sites which benefit from exemption of customs duty – including Port One Logistics Park in Great Blakenham.

10.3.4 The Freeport East Full Business Case (FBC) estimates that over 10,000 jobs will be created directly within the tax sites, including the custom sites there is an expected 13,500+ direct jobs in total.

10.3.5 In addition, this influx of direct jobs will create the demand for additional service-based industries within the local area as well as supply chain opportunities that would attract foreign direct investment and further high value job growth (FBC, p56).

10.3.6 Freeport East targets a number of key sectors which will be supported at the designated sites:

i) Energy

10.3.7 Freeport East's location close to the East Coast green energy sector and offshore wind farms in the Southern North Sea is expected to attract national and international manufacturers and developers in the clean

energy and alternative fuels sectors. The Harwich area of the Freeport has the potential to become the southern North Sea's leading Green Energy Hub, winning business from competitors in Europe, deepening offshore wind expertise in the UK, supporting the drive to achieve 60 percent UK content, and providing one of the main foundation points for the national industry. However, this requires joint investment from the site owner, a joint venture development partner, plus offshore wind manufacturer/s and assembly hub operator/s. To 'unlock' and activate the investment will require seed capital and use of retained business rates to reduce risk profile and begin site development. Supporting the development of the potential at the port of Harwich alone will unlock significant private investment, triggering long-term investment by the offshore wind and renewable green energy supply chain.

10.3.8 The FBC forecasts a total of 5,208 jobs are projected in this industry (FBC, p39). As stated in the Offshore wind: 'Skills and Labour Requirements of the UK Offshore Wind Industry: 2018 to 2032' (2018) report, when considering the skill levels of the new jobs, around 65% will be either 'management' or 'technical/professional'.

ii) Agri-Tech

10.3.9 The Port of Felixstowe is the largest import port of containerized food and, with a seven-hour crossing from the Hook of Holland, Harwich is still an important entry port to the UK for Dutch-grown flowers and glasshouse crops. Domestically, the four counties in the immediate hinterland of Freeport East procude a significant proportion of the UK's agricultural produce. The FBC sets out four ways in which Freeport East is seeking to support innovations within agri-tech:

- The utilisation of hydrogen on farms
- Expertise in 5G and data science for precision farming
- Support for vertical farming innovations to ensure consistency of food supply
- Water management and alternative growing methods

10.3.10 A growth of 1,978 jobs are projected within the sector and the FBC estimates that between 5-10% of these roles will be Manager and Director level, with approximately 20% skilled trades, 25% Process Operatives and 25% working in transport (FBC, p40).

iii) Added Value Logistics

10.3.11 Freeport East offers the opportunity for inward investment by businesses who provide value added logistics services which can address these supply chain challenges with the building of bespoke facilities within the Freeport Tax Sites. The Port of Felixstowe is supported by a number of government agencies to ensure food is properly checked and processed efficiently through the port and Suffolk Port Health, being co-located on site within the examination facilities at the port, is the largest port health authority in the country. (p24)

10.3.12 The FBC identifies a total of 2,838 jobs are projected and it is expected that these will be split as follows: 10% Managers and Directors, 45% Drivers, 20% warehouse operatives, with the remaining 25% in supporting roles (FBC p40).

iv) Professional Services

10.3.13 The financial levers and interventions aim to make the Freeport sites cost effective for the sector and will complement the existing assets relating to digital technologies and professional services within the region. The benefits of clustering, sharing knowledge and developing an attractive employment offer, bespoke premises for innovative businesses, utilising nearby assets and business networks across the counties.

10.3.14 The FBC identifies a total of 1,340 jobs are projected which are expected to be divided between professional/technical staff (40%), Managers & Directors (10%) and administrative occupations (50%). (p41)

10.3.15 The Freeport expects that all jobs created in the energy sector across Freeport East will automatically meet the definition of green jobs – "employment in an activity that directly contributes to – or indirectly supports - the achievement of the UK's net zero emissions target and other environmental goals, such as nature restoration and mitigation against climate risks". While the remaining 3 priority sectors *"might not directly fit within the green jobs categories identified in the Green Jobs Taskforce report"*. (FBC, p41)

10.3.16 Overall, the FBC shows a sectoral jobs growth projection of 11,364 jobs over a ten-year period. This aligns with the FBC's headline claim of over 10,000 direct jobs at the tax sites. Including the customs sites, there is expected to be 13,500+ direct jobs in total, which goes above the sectoral estimates above. Further to this there will be a significant uplift to supply chain jobs within the local economy.

10.4 Stakeholder Views of Freeport East

10.4.1 Stakeholders also identified the Freeport East as providing an additional driver for future growth in the industrial/logistics sectors in Babergh and Mid Suffolk. The rapid pace of development and high demand at the Gateway 14 designated tax site and Port One customs was cited as providing evidence of this increased demand.

10.4.2 The designated tax sites – of which Gateway 14 is one of three along with sites at Felixstowe and Harwich – are seen as the more attractive due to relief on National Insurance, stamp duty, and tax relief at these locations. Gateway 14 was cited as being particularly attractive due to its location west of the Orwell Crossing and accessibility to the national road network.

10.4.3 Development at the Freeport East sites is managed so that potential occupiers meet qualifying criteria. All the development must be 'over and above' the baseline rate of growth – incoming occupiers must be new to the area or growing rather than just existing businesses relocating locally. This ensures the Freeport East delivers additional growth not just displaces existing businesses.

10.4.4 Potential occupiers also have to demonstrate:

- Ethical company credentials
- Net zero credentials
- Innovation credentials
- Skills and workforce development plan improving local economic activity rates

10.4.5 The Freeport East also has a sector requirement stipulating the types of businesses permitted at the sites. This comprises the following mix of sectors at Gateway 14, as set out in the Freeport East Business Case:

- 15% energy sector – manufacturing supply chain components
- 25% agri-tech
- 40% added value logistics
- 20% Professional Services

10.4.6 This sectoral mix represents a mix of aspiration and realism regarding what is likely deliverable at the site. The target mix set out in the business case is flexible and can support changing and emerging market demand. However, some stakeholders expressed the view that there was going to be considerably greater demand for a higher proportion of added value logistics uses.

10.4.7 Stakeholders identified that while the Freeport East project is meant to cover a 25-year timeframe, the Gateway 14 and Port One sites are already considerably built out meaning a very limited supply for the remaining period.

10.4.8 In addition to the rapid take-up of premises at Freeport designated sites there has been considerable additional demand from new businesses related to the Freeport or the supply chain but not satisfying the requirements to locate at the Freeport Sites. The Freeport East works with such businesses to find alternative suitable premises which is usually within close proximity to the ports – i.e. within 20/30 miles covering Babergh and Mid Suffolk as well as Ipswich/Colchester.

10.4.9 This results in a significant demand for industrial/warehouse space not only at the Freeport sites themselves but also within the wider Freeport area.

10.4.10 One of the key issues raised by stakeholders with regards to site location is the challenges around connectivity to the strategic road network, to the workforce, and to utilities. This limits the potential area of search for incoming businesses. There is a need to identify new sites at accessible locations.

10.5 Employment Land Needs of Freeport East Supply Chain

10.5.1 There is expected to be 13,500+ direct jobs at the Freeport tax sties and customs sites. The Freeport has already identified its tax and customs sites, of which two are located within Babergh/Mid Suffolk – Gateway 14 and Port One. These jobs must, by definition, be additional to baseline economic growth.

10.5.2 Therefore these sites will be required to meet this additional growth and should not be considered as part of the districts' normal employment land supply.

10.5.3 In addition to this there will be a significant number of additional indirect jobs within the local supply chains and supporting sectors. As with the additional direct jobs growth, these jobs will be additional to the economic baseline.

10.5.4 The indirect jobs will not be located at the Freeport sites and will require additional employment sites. It is therefore necessary to estimate the quantum of additional employment land that these additional supply

chain jobs my require to ensure that economic growth related to the Freeport is fully supported and captured within the Freeport area.

10.5.5 The FBC does not quantify the number of supply chain jobs relating to the Freeport growth. It also does not provide a sectoral breakdown of supply chain jobs. Accordingly, the following assumptions have been made:

10.5.6 In accordance with the guidance[14] a supply chain multiplier of 1.29 has been used. This means that for every direct job created at the Freeport sites, there will be 0.29 indirect supply chain jobs created within the local economy.

Table 54. Supply Chain Jobs

	Direct Jobs	Indirect Jobs
Tax Sites only	10,000	2,900
Tax and Customs Sites	13,500	3,915

10.5.7 The sectoral profile of supply chain jobs, and the type of employment land required to support them, has been estimated based on the sectoral split of the direct jobs, as set out in the table below.

Table 55. Supply Chain Sectors

Sector	% Of Supply Chain Jobs	Use Class
Energy	46%	B2/B8
Agri-Tech	17%	B2/B8
Added Value Logistics	25%	B8
Professional services	12%	B1

10.5.8 While it is acknowledged that supply chain jobs will likely be in a range of other sectors – e.g. the evidence for Sizewell C would suggest supply chain growth in the Construction and Business and support services sectors. However, there is no evidence setting out the likely sectors relating to the indirect jobs growth relating to the Freeport. Therefore the sectoral profile for the direct jobs has been used. This notwithstanding, even if a slightly different (unevidenced) sectoral profile is assumed for the indirect jobs growth, it is reasonable to expect a similar use class profile for these jobs – i.e. the jobs are likely to require mostly B2/B8 jobs.

10.5.9 The above sectoral mix reflects the target mix set out in the FBC. However, the exact mix will be flexible to support changing and emerging market demand. The stakeholder engagement confirmed that market demand will likely result in a greater proportion of warehouse and distribution uses than the target mix. Taking these factors into account, a range of employment land requirement has been calculated reflecting different proportions of B2 and B8 requirements to meet jobs growth.

[14] HCA Additionality Guide 2014, Table 4.12

Table 56. Freeport Supply Chain Employment Land Requirements – Low

Use Class	B1	B2	B8	Total
Split of jobs	12%	47%	41%	100%
Indirect Jobs	462	1,857	1,597	3,915
Jobs Density	12	36	77	-
Floorspace (sqm)	5,540	66,842	122,940	195,322
Land (ha)	1.4	16.7	30.7	48.8

Table 57. Freeport Supply Chain Employment Land Requirements – High

Use Class	B1	B2	B8	Total
Split of jobs	12%	32%	57%	100%
Indirect Jobs	462	1,238	2,216	3,915
Jobs Density	12	36	77	-
Floorspace (sqm)	5,540	44,562	170,596	220,698
Land (ha)	1.4	11.1	42.6	55.2

10.5.10 This produces two scenarios – set out above – providing a range of employment land required ranging from 48.8-55.2ha. We would recommend that the higher end this range would help to ensure market demand for warehouse/distribution uses are not constrained.

10.5.11 This demand will fall within the Freeport Area with includes Babergh and Mid Suffolk along with Ipswich, East Suffolk, Tendring, and Colchester. This demand should be met within this area.

10.5.12 The commercial market assessment and stakeholder engagement undertaken as part of this assessment suggests that the A14 corridor is a suitable location to meet this additional demand, and that demand in this location exceeds the supply provided by the existing sites – including the existing Freeport sites at Gateway 14 and Port One Logistics Park.

10.5.13 However, there may be alternative sources of supply within the Freeport Area suitable to meet this demand. We recommend the Council work closely with neighbouring authorities within the Freeport Area to ensure that this identified demand is met.

10.6 Employment Land Requirements to Support Port Activities

10.6.1 This scenario has quantified demand for employment land for additional growth in jobs in the Freeport supply chain. As set out above this is additional to the direct jobs at the Freeport Tax and Customs sites, two of which – Gateway 14 and Port One Logistics Park – are within Babergh and Mid Suffolk.

10.6.2 In order to calculate the total land requirement to support Freeport development within the Freeport Area the Customs and Tax sites must also be added to the supply chain requirement identified above. For Babergh and Mid Suffolk this will mean treating Gateway 14 and Port One Logistics Park as meeting port related needs in addition to meeting their share of employment land to support growth in the port related supply chain. However, the share of the supply chain need to be met within Babergh and Mid Suffolk is a policy decision. Therefore this calculation cannot be undertaken here.

10.7 Sizewell C

10.7.1 Sizewell C is a new power station proposed to be built next to the existing Sizewell B power station in East Suffolk. It will be a close copy of Hinkley Point C which is already under construction in Somerset.

10.7.2 Central Government granted planning permission via Development Consent Order in July 2020. The project is expected to commence in 2024, with the construction phase scheduled to take 12 years.

10.8 Economic Impacts of Sizewell C

10.8.1 Two assessments have been produced by EDF which set out the expected economic impacts of the development – Sizewell C Project Economic Statement[15] and Socio-Economic Impact Assessment of the Environmental Statement[16]. The Socio-Economic Impact Assessment considers a range of employment impacts during the construction of the new Sizewell C power station in East Suffolk.

10.8.2 Most significantly are the direct jobs created at the site itself. The direct jobs are likely to draw upon a considerable number of workers from the local and regional areas. This means existing businesses in Babergh and Mid Suffolk are likely to benefit from increased job opportunities. However, the location of direct jobs will by definition be at the Sizewell C site. Local businesses benefitting from the new employment opportunities will likely retain their existing premises.

10.8.3 There may be some expansion opportunities for local businesses arising from business growth as a result of additional direct employment opportunities at Sizewell C, however it would be difficult to disaggregate these from the baseline business growth and to identify any additional employment land requirements as a result of this.

10.8.4 In conclusion, the increase in direct jobs will be located at the site and will not directly require additional space in Babergh or Mid Suffolk.

10.8.5 However, the Sizewell C development will also result in a large growth of employment growth within the supply chain at a number of levels:

- *"There would be several Tier 1 contractors appointed for the construction of the Sizewell C Project, national and international companies working independently, or through alliances who would be responsible for delivering one or more packages of works. A substantial proportion of construction expenditure would be on equipment and materials through this group.*
- *There would be a large number of Tier 2 sub-contractors and suppliers working for these contractors, ranging from providing materials, equipment, very specialist skills, through to more general trades."* (9.7.44)

10.8.6 The Socio-Economic Impact Assessment for Sizewell C estimates that the total value of the construction project is *"estimated at £20 billion, made up from the sourcing of goods and materials, and cost of labour.*

[15] Sizewell C Project Economic Statement (EDF, May 2020)
[16] The Sizewell C Project, Volume 2 Main Development Site Chapter 9 Socio-Economics (EDF, May 2020) and Appendices 9A - 9F

It is anticipated that – if similar activities and local supply chain recruitment are achieved at Sizewell C as Hinkley Point C – there could be a 'local' retention of in excess of £1.5bn over the construction period, equivalent to an average of £125m per year." (9.7.52)

10.8.7 The economic impact assessment estimates the scale of growth in terms of additional expenditure within the local/regional economy by looking at past examples of similar projects:

1. *"At Hinkley Point C7, EDF Energy and the Department for Business, Energy & Industrial Strategy set out that:*
    - *Over £650 million had (at July 2018) been spent in the south-west (including South Wales). In addition to the £650 million of expenditure to date, contracts have been entered into for a further £700 million, including larger Tier 2 contracts.*
    - *This brings a total of commitments, including spend to date, to over £1.3 billion. A project to capture spend below Tier 1 has since been rolled out.*
    - *Committed local and regional spend has increased since the publication of the BEIS report referenced above, and stood at £1.55 billion at the end of 2018. This committed regional spend equates to around 7% of total spend on the Hinkley Point C project, and is likely to grow further."* (9.7.48)
2. *"At Sizewell B, the figure of contracts with local firms in the larger area of Suffolk and Norfolk was a little higher at about 4% (i.e. c. £80 million out of total contract value of about £2 billion) over the construction phase (1987- 1995, not adjusted for inflation)."* (9.7.51)

10.8.8 The additional spending within the supply chain will create additional indirect jobs across the local / regional economy. The Socio-Economic Assessment provides expected expenditure retention figures for the East Region (7%) as well as for Suffolk and Norfolk (4%). Areas with better accessibility to the Sizewell C site are likely to see greater levels of demand.

10.8.9 In conclusion, the increase in indirect jobs across these areas – including Babergh and Mid Suffolk – will likely require additional employment space.

10.8.10 In terms of the types of jobs to be created, the economic impact assessment states:

10.8.11 *"There are however, a number of local and regional firms that may benefit from these contracting opportunities. SZC Co. and its supply chain would also procure a large range of other (non-construction) services including, for example, professional and design services, facilities management (for campuses and park and rides), transport services, security and catering.*

10.8.12 *Construction contracts and sub-contracts, and particularly non-construction packages would have a much stronger local and regional element, with a substantial proportion of construction value retained in the local economy"* (9.7.46-47)

10.9 Stakeholder Views of Sizewell C

10.9.1 Many stakeholders anticipated that there would be increased demand for industrial and warehouse space in Babergh and Mid Suffolk arising from the construction of Sizewell C power station.

10.9.2 This is anticipated to support an increase in jobs within the construction sector and related supply chains. Stakeholders expected this to further increase demand for industrial/warehouse space across Suffolk.

10.9.3 It is anticipated to have the effect of drawing jobs from a wide (regional) area but also attracting considerable additional jobs to the area for the duration of the construction phase but also to retain these businesses in the local area long term. The LEP and Chamber are working to ensure that Tier 1 supply chain jobs are not only attracted to the area but retained within the area and expect the majority of additional jobs to be permanent in nature.

10.9.4 Stakeholders generally felt that Ipswich would be the most attractive location for incoming businesses connected to Sizewell C. This includes the eastern end of the A14 Corridor within Babergh and Mid Suffolk. This is expected to further drive demand for industrial and warehouse space in these locations. Demand was expected to be similar to the demand profile presently at these locations, with demand for all sizes of industrial/warehouse units.

10.9.5 It was not anticipated that the Sizewell demand would significantly impact the other employment areas across the districts as these would be less accessible and less attractive to incoming occupiers.

10.10 Employment Land Needs of Sizewell C Supply Chain

10.10.1 A growth scenario has been developed modelling the additional employment land need in Babergh and Mid Suffolk to accommodate the growth in supply chain opportunities arising from Sizewell C. Suffolk and Norfolk County Councils are working to ensure the growth captured is permanent beyond the construction period.

10.10.2 EDF quantifies the economic benefit of Sizewell C's supply chain for the local and regional economies. This has been used to estimate the future increase in employment land needed in Babergh and Mid Suffolk to support the districts' share of indirect jobs growth.

10.10.3 This additional expenditure will produce new employment opportunities for existing businesses within these areas as well as attracting new businesses into the areas. Both of these scenarios are likely to result in additional employment land requirements to support expanding workloads and additional employees, or indeed completely new businesses in the area. Such cases will have an impact on local employment land requirements.

10.10.4 The starting point is the estimates of local and regional spend set out in the Sizewell C Socio-Economics Impact Assessment:

1. Based on data from Hinckley Point, EDF estimate a regional supply chain spend of £125m per year of the construction phase. This represents 7% of total spend.

2. Based on data from Sizewell B, EDF estimate a "Suffolk and Norfolk" supply chain spend of £80m per year of the construction phase. This represents 4% of total spend.

10.10.5 These figures have been used to estimate additional employment land requirements at each geographical level. This has been done using GVA per job figures[17] for the relevant sectors[18] for the East of England and modelling assumptions regarding employment densities and plot ratios used in the main scenarios. This identifies a total additional employment land need of 44ha across the region, or 28ha across Suffolk and Norfolk.

10.10.6 The share of spend within Babergh and Mid Suffolk can be calculated as a proportion of GVA for the relevant area. So disaggregating need across the East Region based on their regional GVA share across relevant sectors, for Babergh this is 0.9% and for Mid Suffolk it is 2.4% of regional GVA. This would identify a need for around 1.5ha of additional employment land in total across both districts.

10.10.7 Using a similar approach for the Suffolk and Norfolk figure suggests a GVA share for Babergh of 4.2% and for Mid Suffolk of 11.7%. This would identify a need for around 4.5ha of additional employment land in total across both districts.

10.10.8 However, it is likely that there will be a greater level of demand for sites which are located close to and with good accessibility to Sizewell C, rather than equally distributed across these areas. This is evident when considering the two scenarios above – the expected expenditure retention within Norfolk and Suffolk is 4% and 3% for the rest of the region, despite Norfolk and Suffolk only accounting for only 21% of regional GVA (in the relevant sectors).

10.10.9 This not only suggests that the higher 4.5ha figure provides a better estimate of additional employment land needs across the study area. It also suggests that there is likely to be a greater demand in the districts with good access to the Sizewell C site, including Mid Suffolk. This is particularly true for new businesses looking to relocate into the area who are likely to prefer locations close to Sizewell C.

10.10.10 The level of additional demand in Mid Suffolk is therefore expected to be higher than its current GVA share. This suggests additional demand will likely be higher than 4.5ha, and the Council could support growth within Mid Suffolk by accommodating a greater proportion of the Suffolk and Norfolk total of 28ha.

10.10.11 We recommend the Council work closely with neighbouring authorities to ensure that this additional demand is met.

10.11 Summary

10.11.1 Two growth scenarios consider the implication on employment land demands of two major planned developments:

1. The recent designation of the Freeport East

[17] Region by industry labour productivity (ONS, 2021)

[18] In accordance with the Socio-Economic Impact Assessment paras 9.7.46-47, the majority of supply chain spending will be in sectors covered by the broad sectors Construction, and Administration and Business Services.

2. The proposed construction of a new power station at Sizewell C

10.11.2 These developments will produce additional jobs growth and demand for employment land over and above that shown in the baseline growth forecasts or historic completions trends data.

10.11.3 The Freeport is expected to deliver an additional 13,500 direct jobs at the Tax and Customs sites. As growth at these sites is ringfenced for development additional to the economic baseline, the Freeport sites (i.e. Gateway 14 and Port One) within Babergh and Mid Suffolk should not be considered to contribute to Babergh and Mid Suffolk's general employment land supply.

10.11.4 In addition, the Freeport will support the growth of 3,915 additional supply chain jobs beyond the Freeport sites which will require additional employment land within the Freeport Area. It is estimated that this will require an additional 48.8-55.2ha of employment land across the Freeport East Area. This should be met at locations with good accessibility to the ports, the strategic road network, and labour supply. We recommend the Council work closely with neighbouring authorities within the Freeport Area to ensure that this identified demand is met.

10.11.5 The Sizewell C development is expected to drive demand for supply chain jobs requiring a total additional employment land need of 44ha across the region, or 28ha across Suffolk and Norfolk. Based on existing shares of GVA for Babergh (4.2%) and Mid Suffolk (11.7%) would identify a need for around 4.5ha of additional employment land in total across both districts.

10.11.6 However, it is likely that there will be a greater level of demand for sites which are located close to and with good accessibility to Sizewell C, rather than equally distributed across the wider area. This suggests additional demand will likely be higher than 4.5ha, and the Council could support growth within Mid Suffolk by accommodating a greater proportion of the Suffolk and Norfolk total of 28ha. This should be met at locations with good accessibility to the ports, the strategic road network, and labour supply. We recommend the Council work closely with neighbouring authorities to ensure that this additional demand is met.

11.0 CONCLUSIONS ON THE OVERALL EMPLOYMENT LAND REQUIREMENT

11.1 Overall Employment Land Requirements

11.1.1 The labour demand scenarios set out in Section 9 provide estimates of future employment land needs for Babergh and Mid Suffolk for the period 2023-37. Three economic forecasts have been considered and take account of changing patterns of home and hybrid working.

11.1.2 The outputs of the labour demand scenarios should be assessed against the scenarios based on completions trends (set out in Section 6) as well as wider economic factors, economic baseline, and stakeholder feedback set out across the rest of this report. Taken together, these various analyses inform the overall conclusions on employment land needs for Babergh and Mid Suffolk.

11.1.3 The table below provides a comparison of the employment land need scenarios.

Table 58. Employment Land Needs (ha) – Scenario Comparison

	B1	B2/B8	Total
Babergh			
Completions Trend	0.2	21.6	**21.8**
CE baseline	3.7	11.3	**15.0**
OE baseline	3.1	1.7	**4.8**
Experian Baseline	2.6	4.7	**7.3**
Mid Suffolk			
Completions Trend	4.6	34.5	**39.1**
CE baseline	4.3	34.7	**38.9**
OE baseline	3.3	14.4	**17.6**
Experian Baseline	3.0	21.6	**24.5**

11.1.4 In addition, the there is a need for land for open storage in both districts. Based on take-up data (set out in Section 6) there is a need for around 3.0ha of land for open storage in Babergh and 7.2ha in Mid Suffolk. This is additional to the figures above.

Figure 49: Employment Land Needs (ha) – Babergh

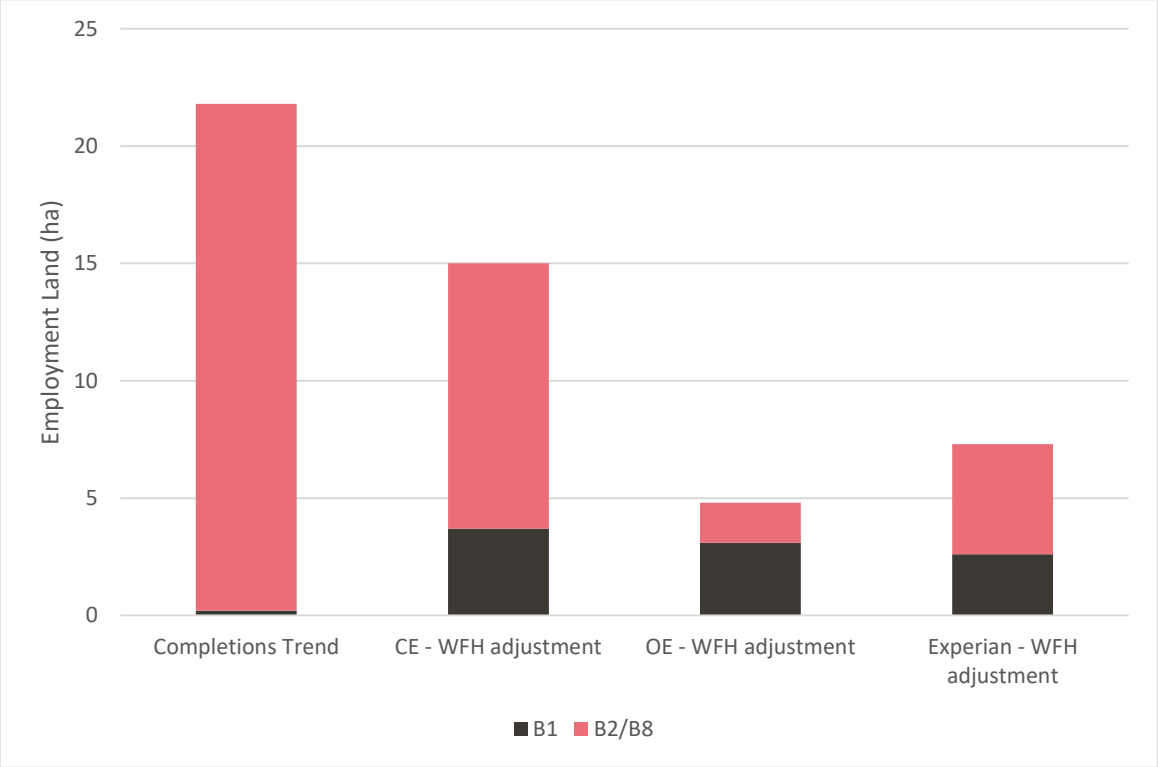
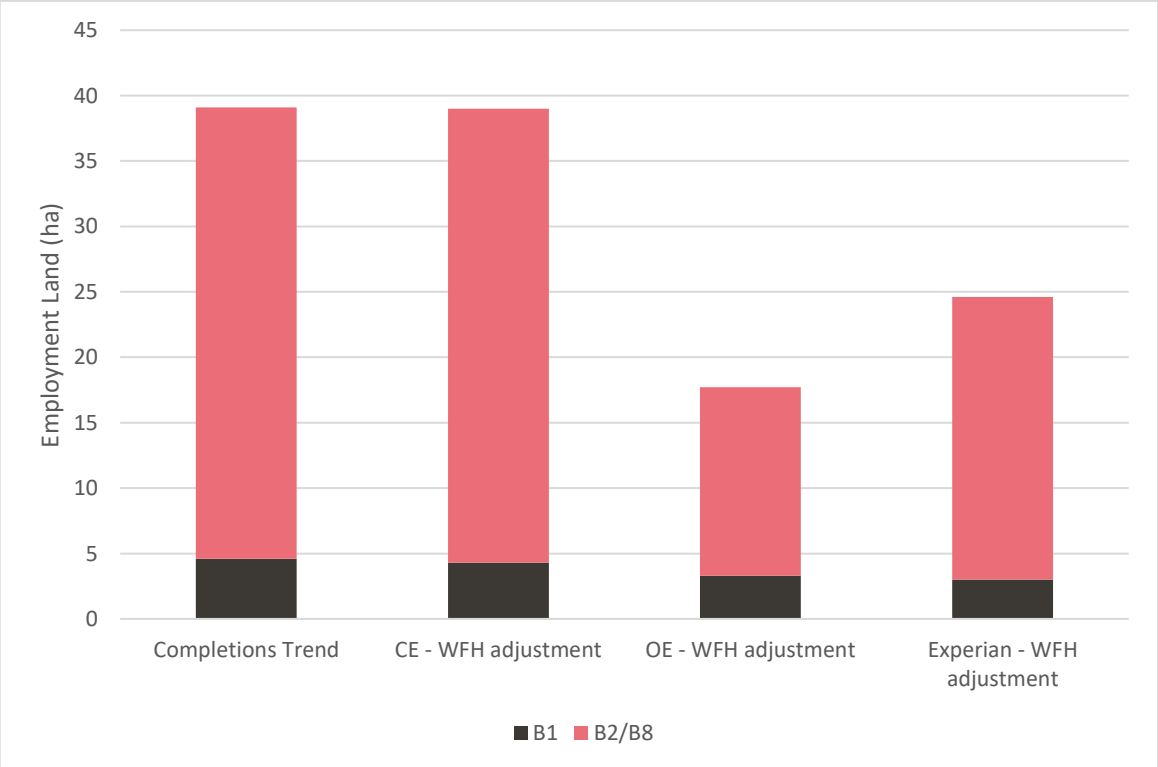


Figure 50: Employment Land Needs (ha) – Mid Suffolk



11.1.5 The sectoral analysis of the economic forecasts (set out in Section 7) identified the CE forecasts as providing the most suitable forecast for labour demand modelling. However the analysis also identified some problems with the accuracy of the forecasts regarding the manufacturing sector making the labour demand scenarios less robust for drawing conclusions on future land needs for this sector. This suggests that the competition trend forecast provides a more robust basis for planning for future industrial land needs.

11.1.6 This notwithstanding, the labour demand scenarios based on the CE forecasts have identified the highest quantum of employment land needs for both Babergh and Mid Suffolk. Although in both districts the CE scenario identifies a slightly lower requirement for employment land than the scenario based on past completions trends, lower by about 7ha in both districts. The Experian and OE scenarios identify future industrial land requirements which are considerably below the past completions or absorption scenarios. This does not reflect the wider commercial market signals.

11.1.7 In Babergh, all three labour demand scenarios identify a small need for office land higher than the almost zero demand in the past completions trend scenario. This is due to expected new jobs in office-based sectors, albeit tempered by changes in working practices within this sector. However, this does not reflect the commercial market or stakeholder feedback which reflects very little demand for office space in the district, suggesting the Completions Trend Scenario is most reasonable.

11.1.8 In Mid Suffolk all scenarios show a relatively modest demand for office land (<5ha) which reflects the commercial market signals and stakeholder feedback. The difference between the Completions Trend and CE Scenarios is the quantum of industrial land required with both scenarios broadly similar but with the Completions Trend Scenario slightly higher providing a more positive basis for planning for future employment needs.

Table 59. Employment Land Needs (ha)

	B1	B2/B8	Open	Total
Babergh				
Completions Trend	0.2	21.6	**3.0**	**24.8**
CE baseline	3.7	11.3	**3.0**	**18.0**
Mid Suffolk				
Completions Trend	4.6	34.5	**7.2**	**46.2**
CE baseline	4.3	34.7	**7.2**	**46.2**

11.1.9 Two growth scenarios are also considered. These identify the employment land requirements relating to the Freeport East and Sizewell C. These scenarios identify employment land requirements additional to the baseline figures above.

11.1.10 However, the growth scenarios consider developments which impact geographical areas larger than Babergh and Mid Suffolk. As such there are policy decisions to be made about how much of this need should be accommodated within the districts. We recommend the Councils work with the other authorities within

the identified catchment areas of these developments to ensure needs are met at suitable locations within these areas.

Table 60. Growth Scenarios

	B2/B8	Area
Freeport East	**48.8-55.2**	Freeport East Area
Sizewell C	**28**	Suffolk and Norfolk

11.2 Forecasting Period

11.2.1 The figures above set out the employment land needs for the period 2023-37 which aligns with the plan period of the Babergh and Mid Suffolk Joint Local Plan Part 1, which is expected to also inform the period of the Part 2 Plan.

11.2.2 However, should the Councils require employment land needs figures to cover a longer forecasting period, an extension on a pro-rata basis would be appropriate given that the forecasts are based on a projection of annualised figures. We would consider this appropriate up to an additional five years as this is the normal forecasting horizon of the main economic forecasters.

11.2.3 For example, should the Councils wish to extend the forecasting period to cover an additional year to 2038, this would add an additional 1.6ha to Babergh's total and 3.3ha to Mid Suffolk's total employment land needs.

Table 61. Completions Trend – Alternative Forecasting Period 2023-38 (ha)

	2023-37	Annual	2023-38
Babergh	21.8	1.6	23.4
Mid Suffolk	46.3	3.3	49.6

11.3 Employment Land Needs at Sub-District Level

11.3.1 Taking account of the commercial market assessment, stakeholder engagement, past delivery trends, and future drivers of economic growth, the following conclusions on the locations of employment demand across the district are drawn:

- The A14 Corridor and Ipswich Fringe are the primary locations for warehouse and distribution development and the location with demand for the large-scale national distribution uses connected to Felixstowe. There is also significant demand in this area for manufacturing uses from both local and national occupiers. This area also has demand arising from smaller local occupiers and a significant quantum and range of site types and sizes should be provided to ensure sufficient supply to meet the wide range of demands is accommodated within this area.

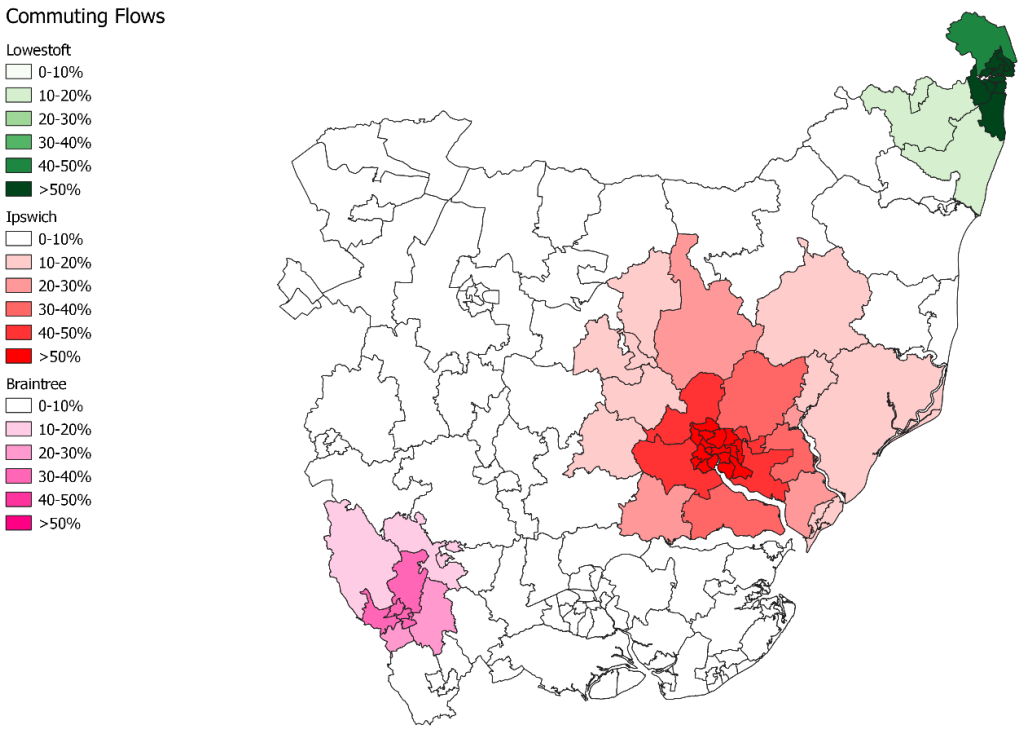
Furthermore, it is expected that significant additional demand for employment land arising from development at Freeport East and Sizewell C – as set out in the Growth Scenarios – will be within this location.

We would recommend that significant employment allocations are located within the A14 Corridor and Ipswich fringe to support economic growth aspirations and ensure growth is not constrained. This applies to both districts.

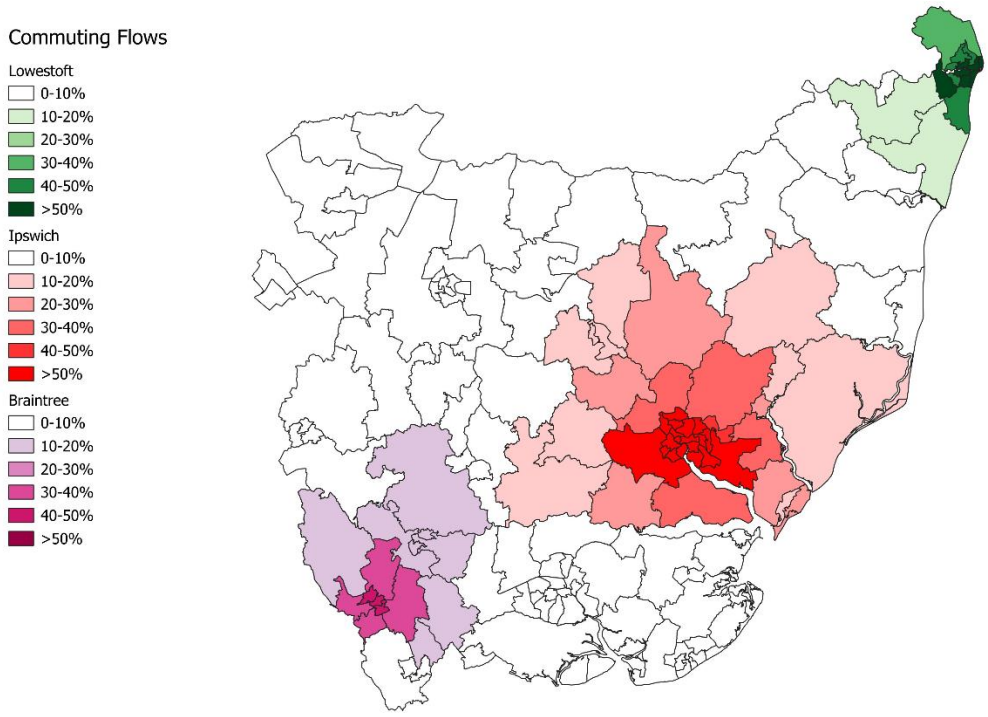
- The A140 Corridor is a strong location for industrial and distribution growth, with the nature of demand being more locally based businesses than the A14 corridor with less national and international inward investment opportunities. There is demand for larger sites to accommodate these uses within this location.
- Stowmarket lies within both the A14 Corridor and provides an attractive location for employment development due to its transport links and labour supply. It is also an attractive location for office development, albeit smaller demand than for other employment uses.
- Sudbury comprises a predominantly local market with strong industrial demand. The market is significantly distinct with strong local links and business retention meaning demand should be met locally rather than elsewhere within the district. Demand is primarily driven by existing local businesses meaning expansion opportunities should be supported and sites which do not provide this do not meaningfully contribute to the supply.
- The rest of the districts is predominantly rural in character – including parts of the districts which fall within the Bury St Edmunds and Colchester sub-areas. There is demand for pockets of employment land across the rural areas of the district beyond the main markets identified above, including an identified distinct local market in Hadleigh which whilst not large enough to constitute a sub-market in its own right, does constitute a local demand which should be met locally. Much of this demand will be for smaller scale manufacturing, however the prevalence of argi-food related businesses mean there is also demand for larger sites.

APPENDIX A – COMMUTING FLOWS

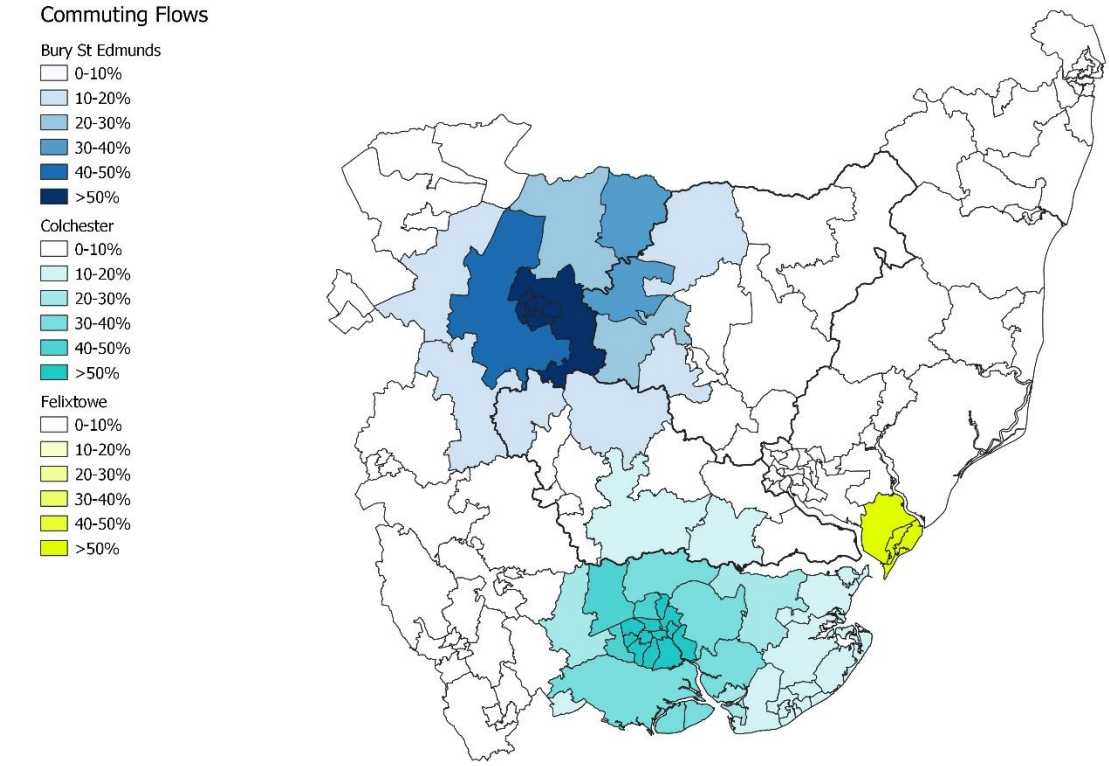
2011 Census



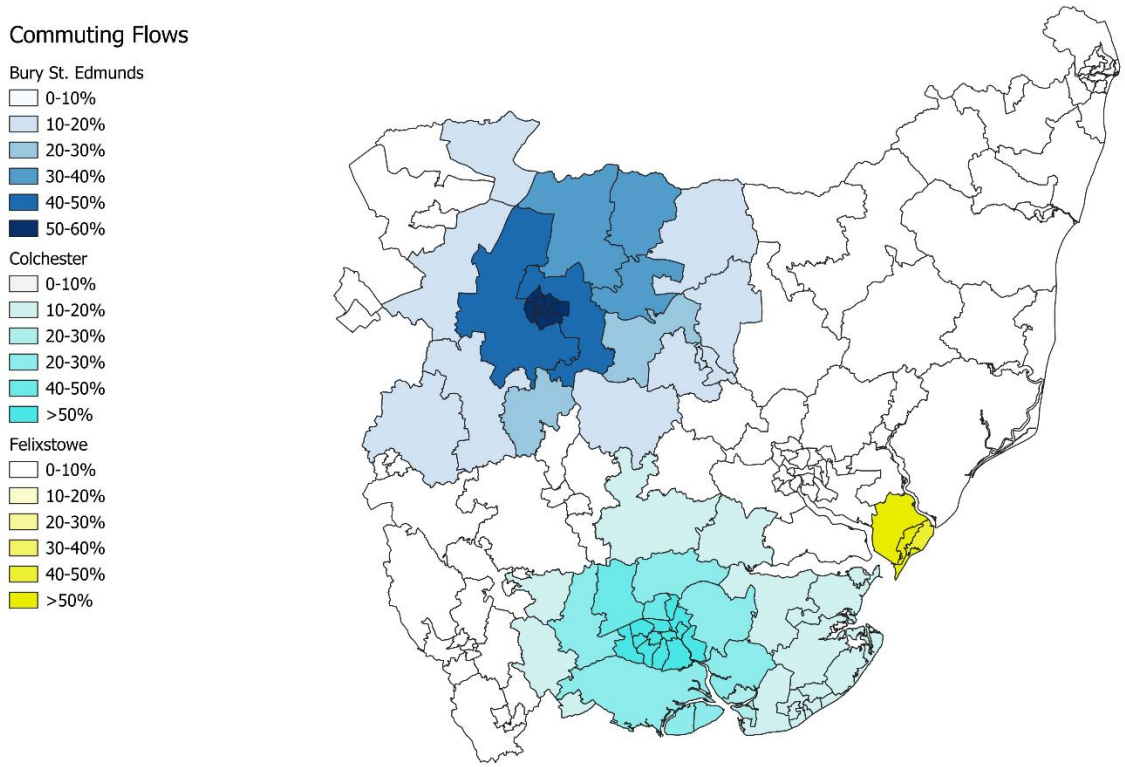
2021 Census



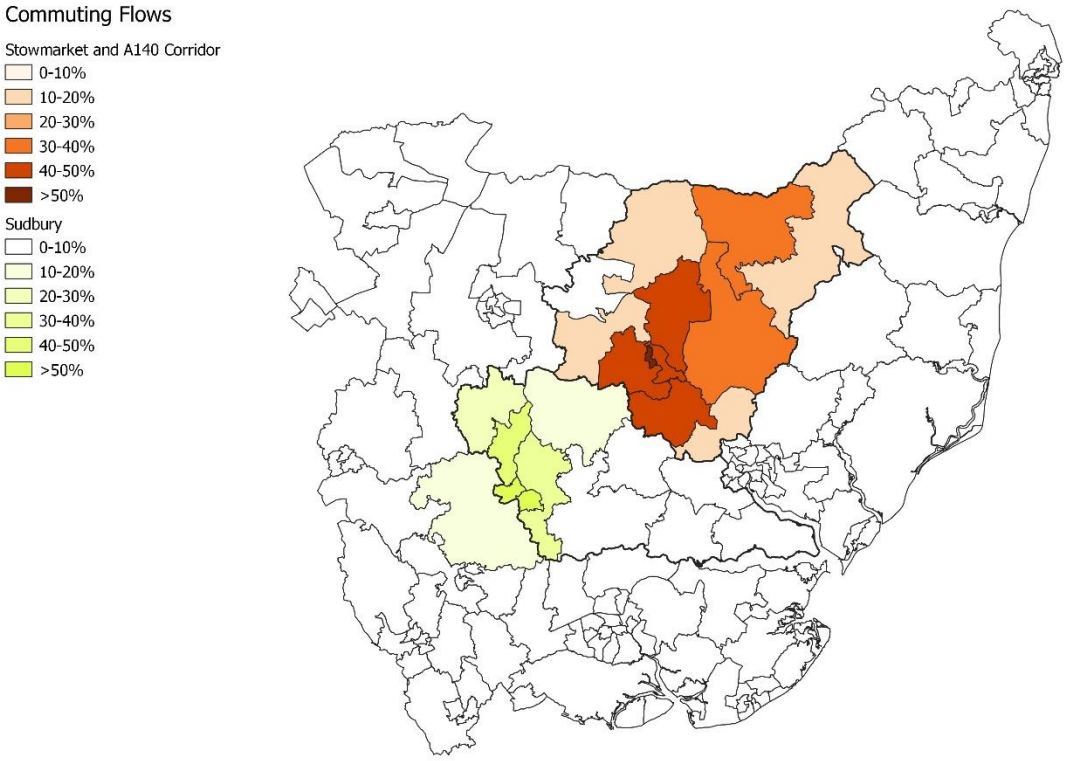
2011 Census



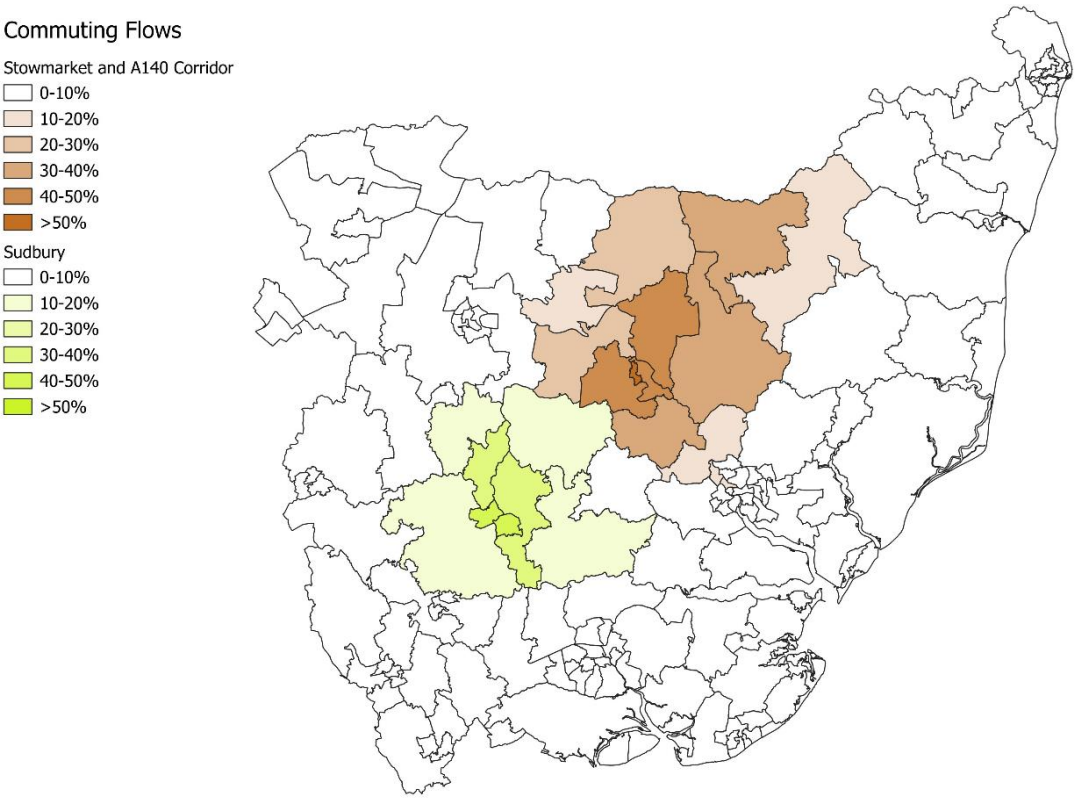
2021 Census



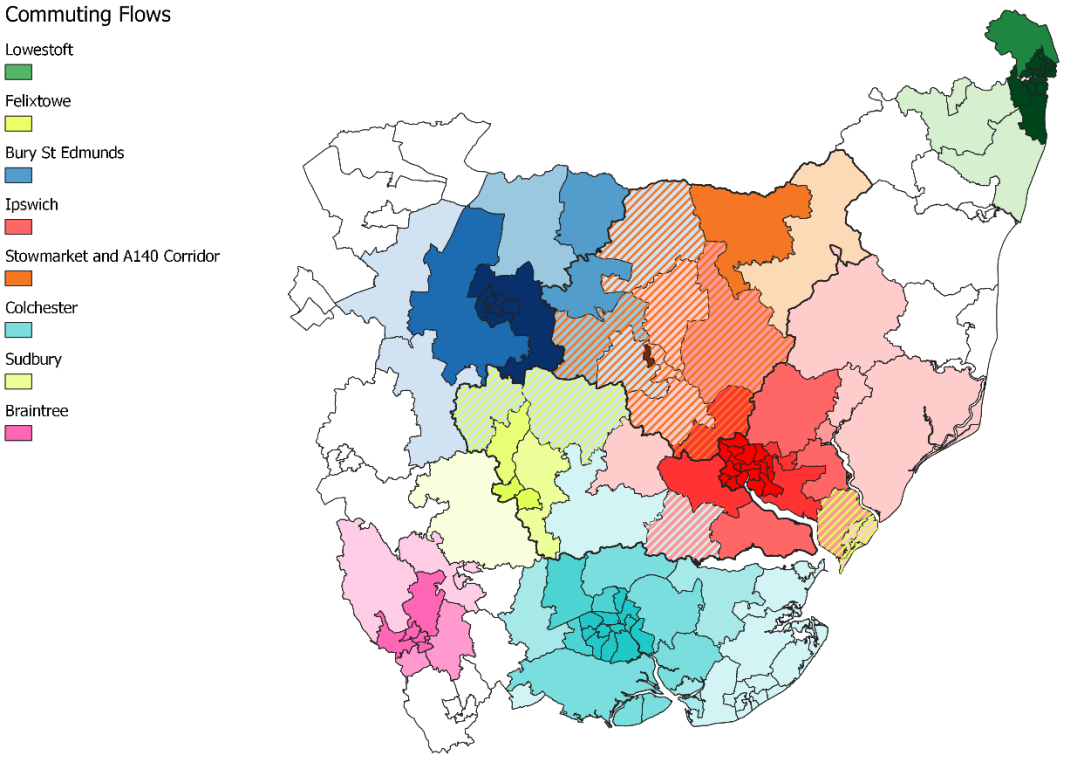
2011 Census



2021 Census



2011 Census – Overlapping Areas



APPENDIX B – TAKE-UP DATA

Babergh

Address	Use	Area (ha)	Date
Babergh West			
Mini Waste Skip Hire, Tentree Rd, Great Waldingfield	Depot	0.42	2007
Tentree Rd, Great Waldingfield	Workshop	0.13	2012-15
Tentree Rd, Great Waldingfield	Depot	0.10	2015-18
Waldingfield Rd, Great Waldingfield	Depot	0.49	2003
Bull Lane Ind Est, Long Melford	Industrial	0.28	2012-15
Crestland Brake & MOT, Wiles House	Industrial	0.70	2018
Units 1-6, Wood View, Bull Lane IE	Industrial	0.13	2007-11
Heron House, Melford Road, Long Melford	Office	0.12	2007
Inca Business Park, Bull Lane IE, Long Melford	Industrial	0.75	2003
Webb Hydraulic Services, Acton Place Ind Est, Long Melford	Industrial	0.14	2018
Inca Business Park East, Bull Lane IE, Long Melford	Industrial	0.40	2003-07
British Gaskets, Brundon Lane, Sudbury	Industrial	0.40	2012
British Gaskets north, Brundon Lane, Sudbury	Industrial	1.14	2012-15
Rockley Transport, Mills Rd, Chilton IE, Sudbury	Depot	0.76	2000-03
ELB Engineering, Meekings Rd, Chilton IE, Sudbury	Industrial	0.07	2018
Specflue, Windham Rd, Chilton IE, Sudbury	Industrial	0.18	2009-11
Advantage Environmental, Windham Rd, Chilton IE, Sudbury	Industrial	0.15	2000-03
10, Curzon Rd, Chilton IE, Sudbury	Industrial	0.08	2003-07
Plot 16, Churchfield Rd, Chilton IE, Sudbury	Industrial	0.41	2000
Plot 17, Churchfield Rd, Chilton IE, Sudbury	Industrial	0.27	2000-03
Church Field BP, Churchfield Rd, Chilton IE, Sudbury	Industrial	0.23	2003-07
Wm Armes, Churchfield Rd, Chilton IE, Sudbury	Industrial	1.75	2003-07
Colets Piling, Churchfield Rd, Chilton IE, Sudbury	Industrial	0.33	2000
Lavenham Leisure, Churchfield Rd, Chilton IE, Sudbury	Industrial	0.40	2003-07
The Cloisters, Churchfield Rd, Chilton IE, Sudbury	Industrial	0.41	2003-07
Metro Supply Chain, Churchfield Rd, Chilton IE, Sudbury	Warehouse	1.25	2000-03
6a & 6b, Churchfield Rd, Chilton IE, Sudbury	Industrial	0.39	2000-04
Unit J, Drury Drive, Woodhall BP, Sudbury	Industrial	0.08	2007-09
Unit 2, Drury Drive, Woodhall BP, Sudbury	Industrial	0.19	2007-09
Unit 4, Drury Drive, Woodhall BP, Sudbury	Industrial	0.23	2009-11
Babergh East			
South of Ipswich Rd, Bildeston	Industrial	0.19	2012-15
Taylor Made Joinery, Ipswich Rd, Bildeston	Industrial	1.93	2007-12
PR Munson Group, Lady Lane IE, Hadleigh	Depot	0.63	2007-12
KMR Engineering, Lady Lane IE, Hadleigh	External storage	0.16	2012-18
Huws Gray, Lady Lane IE, Hadleigh	Warehouse	0.79	2000-03
Cellotex, Crockatt Rd, Lady Lane IE, Hadleigh	Warehouse	0.85	2007
Hadleigh Enterprise Park	Industrial	2.17	2003-07
Hadleigh Business Centre, Crockatt Rd953	Industrial	0.24	2007-12
Stuart Morris, Crockatt Road, Hadleigh	Industrial	0.09	2000-03

North of Crockatt Road, Hadleigh	Industrial	1.70	2003-07
Hadleigh Recycling Centre, Crockatt Road, Hadleigh	Depot	0.13	2000-03
Seager Court, Crockatt Road, Hadleigh	Industrial	0.18	2007-12
LDH, Eastern Gateway, Sproughton Road, Ipswich	Warehouse	5.89	2019
Amazon, Eastern Gateway, Sproughton Road, Ipswich	Warehouse	5.77	2020
Units 4 & 5, Eastern Gateway, Sproughton Road, Ipswich	Warehouse	2.00	2023
Units 6 & 7, Eastern Gateway, Sproughton Road, Ipswich	Warehouse	1.30	2023
The Strand, Wherstead, Ipswich	Office	0.21	2008
Riverside, Fox's Marina, The Strand, Wherstead, Ipswich	Office	0.02	2003-06
Opus, Vicarage Lane, Wherstead, Ipswich	Industrial	0.25	2015-17
East of Opus, Vicarage Lane, Wherstead, Ipswich	Industrial	0.31	2020-21
Land at Notley Enterprise Park, Raydon Rd, Great Wenham	Depot	2.10	2005-07
Depot at Notley Enterprise Park, Raydon Rd, Great Wenham	Depot	0.06	2018-20
Capel Station Garage, Capel St Mary	Car workshop	0.27	2000-05
Elmsett Gate Farm, Ipswich Road, Elmsett	Industrial	0.09	2019-20
Elmsett Airfield, Whatfield Road, Elmsett	Industrial	0.11	2000-03
Elmsett Airfield (west), Whatfield Road, Elmsett	Industrial	0.28	2015-18
Elmsett Airfield (south), Whatfield Road, Elmsett	Industrial	0.23	2015-18
Elmsett Airfield (south extension), Whatfield Road, Elmsett	Industrial	0.08	2018-19
Elmsett Airfield (south west), Whatfield Road, Elmsett	Industrial	0.19	2020-21

Mid Suffolk

Address	Use	Area (ha)	Date
unit 10 Williamsport Way, Lion Barn IE, Needham Market	Industrial	0.25	2000
Norfolk House, Unit 11a , Lion Barn IE, Needham Market	Office	0.17	2000
Units 7&8 Williamsport Way, Lion Barn IE, Needham Market	Industrial	0.56	2000
Celestion, Claydon Business Park, Great Blakenham	Industrial	0.48	2003
Unit 4 Williamsport Way, Lion Barn IE, Needham Market	Warehouse	0.30	2003
Entec House, Tomo Industrial Estate, Tomo Road, Stowmarket	Industrial	0.61	2007
Old Bomb Store, Summer Rd, Walsham le Willows	Office	0.28	2008
Baylham Business Centre, Lower Street, Baylham	Office	0.03	2013
Compound on SW of Potash Lane, Airfield IE, Eye	Compound	2.37	2016
Compound on W side of, Tomo Road, Stowmarket	Compound	1.10	2018
FDS, Unit 4, Blackacre Rd, Port One Logistics Park, Great Blakenham	Warehouse	2.24	2020
Compound 2, Williamsport Way, Lion Barn IE, Needham Market	Compound	0.22	2020
Compound on NW side of, Tomo Road, Stowmarket	Compound	0.33	2020
Compound 3, Williamsport Way, Lion Barn IE, Needham Market	Compound	0.45	2021
Atex Business Park, Gun Cotton Way, Stowmarket	Trade Park	1.39	2021
Unit 2, Venture Road, Lawn Farm Business Park, Woolpit	Warehouse	1.94	2021

Compound 2, Airfield Industrial Park, Eye	Compound	0.37	2021
Units 1 & 2, Blackacre Rd, Port One Logistics Park, Great Blakenham	Warehouse	0.81	2022
Units 7-10, Blackacre Rd, Port One Logistics Park, Great Blakenham	Warehouse	3.25	2022
Unit 6, Blackacre Rd, Port One Logistics Park, Great Blakenham	Warehouse	1.34	2022
Stowmarket Police Station, Needham Rd, Stowmarket	Office	0.89	2022
Lorry Parking, Venture Road, Lawn Farm Business Park, Woolpit	Compound	0.33	2022
TruckEast - Scania, Venture Road, Lawn Farm Business Park, Woolpit	Industrial	1.27	2022
Units 1- 3, Mid Suffolk Business Park, Eye	Industrial	1.48	1999-05
Plots 4-8, Mid Suffolk Business Park, Eye	Industrial	1.81	1999-05
Units 7-9, Progress Way, Mid Suffolk Business Park, Eye	Industrial	0.43	1999-05
Unit 10, Progress Way, Mid Suffolk Business Park, Eye	Office	0.13	1999-05
Plot 12, Mid Suffolk Business Park, Eye	Industrial	0.97	1999-05
NW side of Progress Way, Mid Suffolk Business Park, Eye	Industrial	1.78	1999-05
MRCT, Potash Lane, Mid Suffolk Business Park, Eye	Warehouse	1.00	1999-05
Unit 19 Brome Industrial Estate, Brome, Eye	Industrial	0.05	1999-05
Unit 17 Brome Industrial Estate, Brome, Eye	Industrial	0.04	1999-05
Unit 15 Brome Industrial Estate, Brome, Eye	Industrial	0.07	1999-05
Units 11-14 Brome Industrial Estate, Brome, Eye	Industrial	0.09	1999-05
Plot 1, Brome Industrial Estate, Brome, Eye	Office	0.22	1999-06
Magnus Group, Waratah House, Addison Way, Great Blakenham	Warehouse	4.24	2000-03
Unit 1, Claydon Business Park, Great Blakenham	Office	0.09	2000-03
Ph 2, Hill View Business Park, Old Ipswich Road, Claydon	Office	0.29	2000-03
AMS House, 5 Maitland Rd, Lion Barn IE, Needham Market	Industrial	0.05	2000-03
Unit 3 Williamsport Way, Lion Barn IE, Needham Market	Industrial	0.46	2000-03
Land adjoining Willowmead, Finningham Road, Walsham Le Willows	Compound	0.09	2000-05
Roy Humphrey Car & Commercial, Airfield IE, Roman Rd, Eye	Industrial	3.40	2000-05
Wharfside House, Prentice Road, Stowmarket	Office	0.10	2000-07
One Acre, Haughley New Street, Haughley, Stowmarket	Industrial	0.42	2000-07
Brickfields Business Park, Old Stowmarket Road, Woolpit,	Office	0.47	2000-07
Jewers Grain, Elmswell Rd, Elmswell	Warehouse	1.88	2000-07
Synergy House, Unit 23, Woolpit Business Park, Windmill Avenue, Woolpit	Office	0.94	2000-07
Unit NW, Woolpit Business Park, Windmill Avenue, Woolpit	Industrial	0.08	2000-07
AM Promech, Station Road Industrial Estate, Station Rd, Elmswell	Industrial	0.20	2000-07
Summer Rd, Walsham le Willows	Compound	2.17	2000-07
Orion Business Park, Great Blakenham	Office	0.93	2003-07
Claydon, Claydon Business Park, Great Blakenham	Compound	0.31	2003-07
Centaur Court, Claydon Business Park, Great Blakenham	Industrial	0.42	2003-07

Ph 3, Hill View Business Park, Old Ipswich Road, Claydon	Office	0.15	2003-07
Unit 7b, Hill View Business Park, Old Ipswich Road, Claydon	Office	0.04	2003-07
Hall Farm, Henley Rd, Akenham	Industrial	0.25	2003-07
Eurofins Food Testing, Ammonite Drive, Needham Market	Office	0.26	2003-07
Lion Barn Depot, Lion Barn Ind Est, Needham Market	Industrial	0.37	2003-07
RSA Geotechnics, Maitland Rd, Lion Barn IE, Needham Market	Office	0.20	2003-07
Robert C Scutt, Maitland Rd, Lion Barn IE, Needham Market	Industrial	0.20	2003-07
Unit 33, Maitland Rd, Lion Barn IE, Needham Market	Office	0.04	2003-07
Unit 7a Williamsport Way, Lion Barn IE, Needham Market	Industrial	0.10	2003-07
Units 1, 2 & 3c Williamsport Way, Lion Barn IE, Needham Market	Industrial	1.32	2003-07
Bill Steward House, The Buntings, Stowmarket	Office	0.12	2003-07
Alpha & Beta, The Buntings, Stowmarket	Office	0.14	2003-07
Plot 2, Needham Road, Stowmarket	Warehouse	0.88	2003-07
Lewis Farm Business Park, Pettaugh Road, Stonham Aspal, Stowmarket	Industrial	0.17	2003-07
Parksife Warehousing, Tomo Industrial Estate, Tomo Road, Stowmarket	Warehouse	0.25	2007-15
Unit 8, Woolpit Business Park, Windmill Avenue, Woolpit	Office	0.35	2007-15
Newton & Slate, Station Road Industrial Estate, Station Rd, Elmswell	Industrial	0.06	2007-15
Compound 1, Airfield Industrial Park, Eye	Compound	0.53	2007-15
Roy Humphrey Estate 2, Airfield IE, Roman Rd, Eye	Industrial	2.84	2007-16
Acorn Business Centre, Paper Mill Lane, Bramford, Ipswich	Office	0.24	2007-17
Agrihire, Somersham Road, Bramford	Industrial	0.84	2007-17
Palmer Fencing, Somersham Road, Bramford	Compound	0.53	2007-17
Bolton Brothers Recycling, Bramford Road, Great Blakenham	Industrial	2.94	2007-17
Suez Recycling, Bramford Road, Great Blakenham	Industrial	3.97	2007-17
Boardley & Roberts, Plummers Dell, Great Blakenham	Industrial	0.64	2007-17
North of Boardley & Roberts, Plummers Dell, Great Blakenham	Compound	0.45	2007-17
Smeets Ferry, Claydon Business Park, Great Blakenham	Compound	0.37	2007-17
Units 5a-d, Lower Farm, Norwich Road, Barham	Industrial	0.06	2007-17
Phase 4, Hill View Business Park, Old Ipswich Rd, Claydon	Office	0.24	2007-17
Unit 14, Hill View Business Park, Old Ipswich Road, Claydon	Office	0.05	2007-17
CB Skip Services,Hall Farm, Henley Rd, Akenham	Industrial	0.62	2007-17
Eastern Region Training, Lower Street, Baylham	Industrial	0.09	2007-17
Expansion land adj.UInit 7, Williamsport Way, Lion Barn IE, Needham Market	Compound	0.41	2015-17
Wickes, Gipping Way, Stowmarket	Warehouse	0.64	2015-17
Travis Perkins, Gipping Way, Stowmarket	Warehouse	0.42	2015-17
The Hair Lodge, Grove Lane, Elmswell	Office	0.05	2015-17
Synergy House parking S, Woolpit Business Park, Windmill Avenue, Woolpit	Office	0.64	2015-18
East extension, Summer Rd, Walsham le Willows	Compound	0.29	2015-18

East of Agrihire, Somersham Road, Bramford	Compound	0.64	2017-19
Unit , Airfield Industrial Park, Eye	Industrial	0.25	2017-19
Hybrid Tune, Technology Park , Brome	Industrial	0.20	2017-19
Renvale Technology Park , Brome	Industrial	0.36	2017-19
Cranswick House Oaksmere Business Park Airfield Industrial Estate, Eye	Industrial	8.00	2017-19
Compound, Williamsport Way, Lion Barn IE, Needham Market	Compound	0.32	2017-20
Unit 1, Venture Road, Lawn Farm Business Park, Woolpit	Warehouse	1.34	2018-20
Synergy House parking W, Woolpit Business Park, Windmill Avenue, Woolpit	Office	0.49	2018-20
Roy Humphrey Estate 3, Airfield IE, Roman Rd, Eye	Industrial	2.81	2019-20
Whip Street Motors, Paper Mill Lane, Bramford, Ipswich	Compound	0.48	2020-21
Factory, Hall Farm, Henley Rd, Akenham	Industrial	0.54	2020-22
FDS, Unit 3, Blackacre Rd, Port One Logistics Park, Great Blakenham	Warehouse	4.48	2021-22
Roy Humphrey Estate 4, Airfield IE, Roman Rd, Eye	Industrial	0.84	2021-23

APPENDIX C – DATA SOURCES

Data Source	Description
Annual Business Inquiry	Employment by sectors
Annual Population Survey	Labour Market Data
Annual Survey of Hours and Earnings	Hours and earnings
Business Impact of Coronavirus	Impact of Covid
Business Register and Employment Survey	Employment by sectors
Cambridge Econometrics	Econometric forecasts
Census 2021	Census data
Commuter Origin and Destination Data	Commuting
CoStar	Commercial data
Estate Gazettes Radius	Commercial data
Experian	Econometric forecasts
Homes and Communities Agency – Additionality Guide 4th Edition	Guidance
Homes and Communities Agency – Calculating Cost Per Job Best Practice Note	Guidance
Homes and Communities Agency – Employment Densities Guide 3rd Edition	Guidance
Inter-Departmental Business Register (IDBR)	Business data
Jobs Density	Jobs per population
LPA monitoring data	Completions
LSH Occupier Survey	
ONS Travel to Work Areas	Commuting
Oxford Economics	Econometric forecasts
UK Business Counts	Business data
Valuation Office Agency non-domestic floorspace	Business floorspace