

Welwyn Hatfield Local Plan Employment Land Requirements Analysis

Technical Note Population Based Scenario

Welwyn Hatfield Borough Council

May 2019

1. Introduction

- 1.1 This technical note estimates the additional employment land need generated by the projected levels of population growth in Welwyn Hatfield over the 2013-2032 Local Plan period.
- 1.2 It should be noted that all forecasts of employment change and the resulting employment floorspace and land requirements should be treated as broadly indicative. To reflect this all numbers presented in this note have been rounded and thus may not completely add up.
- 1.3 Furthermore, all the projections of future employment land need presented in this document do not take into consideration any future losses of employment land. Given the significant levels of B-use class floorspace and land losses in recent years, any further losses would need to be offset by gains. Therefore all projections of additional employment land requirements should be treated as conservative estimates.

2. Additional employment land need generated by housing and population growth

- 2.1 Planning Practice Guidance states that strategic policy making authorities will need to develop an idea of future needs based on a range of data including demographically derived assessments of future employment needs (labour supply techniques).
- 2.2 AECOM's experience is that while considering such labour supply scenarios is helpful, they are rarely chosen as the basis for assessing the objectively assessed economic development need of an area. This is because labour supply scenarios by themselves do not take into consideration the needs of businesses, the economy or the local property market.
- 2.3 AECOM's view is that Welwyn Hatfield should be planning its future employment land provision based on the projected needs of the economy and evidence from local market signals. The population-based employment land need projections should therefore be considered as the minimum amount required to maintain a balance between population and employment growth, and to ensure that housing and population growth do not result in higher levels of out-commuting. They do not however reflect the needs of local businesses and the local economy.
- 2.4 The starting point for the calculations is the 2016-based population growth projection of 27,270 (A) between 2013 and 2032¹. Approximately 79% of this population is projected to be of working age (16-64 years old) resulting in a projected additional working age population of 21,590 (B). Approximately 80% of the working age population is projected to be in employment, resulting in 17,370 (C) additional Welwyn Hatfield residents in employment between 2013 and 2032.
- 2.5 According to 2011 Census travel to work data, approximately 47% of Welwyn Hatfield residents in employment worked in Welwyn Hatfield, with the remaining 53% travelling to work outside the borough. Assuming this percentage remains constant over the Local Plan period, there would be 8,180 (D) additional Welwyn Hatfield residents working in the borough by 2032.
- 2.6 According to the latest Experian forecasts, approximately 46% of jobs in Welwyn Hatfield in 2032 will be in B-use class sectors. Applying this percentage to (D) results in 3,770 (E) additional Welwyn Hatfield residents in employment in B-use class sectors in Welwyn Hatfield by 2032.
- 2.7 According to Trades Union Congress (TUC) data², approximately 6.2% of employees in the East of England region regularly work from home. This is very similar to the national average of 6.1%. The data is not broken down by local authority and there are obvious variations in home-working levels in different sectors of the economy. For example, it is more feasible to home-work in typically office-based sectors than in manufacturing or logistics sectors. Taking the above in consideration, we have only made a home-working allowance for the additional projected employment in B1a/b sectors. It is difficult to project how home-

¹ Welwyn Hatfield Technical OAN Paper: The implications of the 2016-based SNPP and SNHP on the Welwyn Hatfield OAN January 2019

² <https://www.tuc.org.uk/news/growth-homeworking-has-stalled>

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working trends may change in the future so applying this 6.2% home-working assumption to B1a/b employment should be viewed as a high-level assumption.

- 2.8 Applying the 6.2% home-working to B1a/b employment reduces the overall number of jobs to 3,600 (F). The final step in the calculation is to account for part-time working and double-jobbing in order to convert to full time equivalent employment. According to the Experian data, Welwyn Hatfield will have a 0.87 total FTE employment / total employees in employment ratio. Applying this to (F) results in approximately 3,120 (G) additional FTE jobs that will be required in Welwyn Hatfield by 2032 to meet the needs of the projected population growth. The steps to calculate this number are summarised in Table 2-1 below. All numbers have been rounded and should be treated as broadly indicative.

Table 2-1 Population-based projection (2013-2032)

	Assumption	Change 2013-2032
Population growth	-	27,270 (A)
Working age population	79% of (A)	21,590 (B)
Employed population	80% of (B)	17,370 (C)
Welwyn Hatfield residents working in the borough	47% of (C)	8,180 (D)
Employment in B-use class sectors	46% of (D)	3,770 (E)
Accounting for home working	Subtract 6.2% of B1a/b element of (E)	3,600 (F)
Full time equivalent employment	87% of (F)	3,120 (G)

Source: AECOM

Table 2-2 Population-based employment projections by B-use class

Use Class	2013	2018	2023	2028	2032	Change 2013-2032
B1a/b	7,370	8,390	8,900	9,350	9,650	+2,280
B1c	530	610	650	680	700	+170
B2	340	390	410	430	450	+110
B8	1,790	2,040	2,160	2,270	2,350	+560
Total B use class	10,030	11,430	12,120	12,730	13,150	+3,120

Source: AECOM

- 2.9 The population-based projection of FTE employment growth by 2032 is then converted into floorspace and land requirements following the same approach as the labour-demand scenarios discussed earlier in this note. The findings are summarised in Table 2-3 below.

Table 2-3 Population-based employment land need projections

Use Class	FTE employment growth 2013-2032	Additional floorspace need 2013-2032	Additional land need 2013-2032
B1a/b	+2,280	+27,400	+4
B1c	+170	+8,000	+2
B2	+110	+4,000	+1
B8	+560	+39,200	+8
Total B use class	+3,120	+78,600	+14

Source: AECOM

- 2.10 In total, Welwyn Hatfield would indicatively require an additional 14 hectares of employment land between 2013 and 2032 to accommodate the additional need resulting from the projected levels of population increase. As discussed earlier in this note, this does not reflect the true requirements of the local economy and should be considered the minimum additional employment land provision that should be provided.

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- 2.11 In particular, it should be noted that according to Census 2011 data over half of Welwyn Hatfield residents commute out of the borough. If the out-commuting percentage was to decrease in the future to more sustainable levels, there would be a proportionate increase in the employment land requirements.
- 2.12 Extending the assessment period to 2018-2035 results in lower additional requirements compared to the 2013-2032 period. This is explained by the significant population growth that occurred in the period 2013-2018 and the relatively lower rate of population growth projected beyond 2032.

Table 2-4 Population-based employment projections by B-use class, 2018-2035

Use Class	2018	2023	2028	2032	2035	Change 2018-2035
B1a/b	8,390	8,900	9,350	9,650	9,840	+1,450
B1c	610	650	680	700	710	+100
B2	390	410	430	450	460	+70
B8	2,040	2,160	2,270	2,350	2,390	+350
Total B use class	11,430	12,120	12,730	13,150	13,400	+1,970

Source: AECOM

Table 2-5 Population-based employment land need projections, 2018-2035

Use Class	FTE employment growth 2018-2035	Additional floorspace need 2018-2035	Additional land need 2018-2035
B1a/b	+1,450	+17,400	+2
B1c	+100	+4,700	+1
B2	+70	+2,600	+1
B8	+350	+24,500	+5
Total B use class	+1,970	+49,200	+9

Source: AECOM

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