



Flintshire County Council

Employment and Housing Advice



Draft Final Report

April 2019

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## 1.0 INTRODUCTION

- 1.1 BE Group provides this Employment and Housing Advice to Flintshire County Council in order to provide clarification on projections, terminology and the relationship between employment and housing projections. It is understood that this advice will be used in dialogue with the Welsh Government in relation to Flintshire's Emerging Local Development Plan.
- 1.2 This Advice is provided in response to Flintshire County Council's brief entitled *Brief explaining Flintshire County Council's requirement for Expert Advice Re Flintshire's Emerging Local Development Plan and the relationship between housing and jobs provision* (the Brief).

### Context

- 1.3 Flintshire County Council is currently in the process of developing the Emerging Local Development Plan, which has included the preparation of a range of background reports and input and review from the Welsh Government. BE Group has previously been commissioned to prepare documents on the employment land requirements and growth implication, which are:
- **Employment Land Review (October 2015):** This was a joint study for Flintshire County Council and Wrexham County Borough Council. It examined employment land demand, supply and need to 2030. It found that in 2014 there was a supply of employment land of some 326 ha in Flintshire. The study estimated that the employment land need in Flintshire over the forecast period would be about 28.5 ha, which suggested a strong surplus of employment land.
  - **Further Employment Growth Scenarios Assessment (October 2015):** This was a separate document to the ELR, though complemented the main study. It explored further employment forecast scenarios and the implications for employment land, based on updated information since the analysis in the ELR was undertaken. This included reviewing updated population projections and the implications of these for employment land demand. The study also looked at the potential job capacities of strategic employment sites if fully built out.
- 1.4 Furthermore, a **Technical Paper: population and household projections with dwelling and employment impacts** (November 2017) was prepared by the Corporate Research and Information Unit at Conwy County Council on behalf of Flintshire, which formed part of the documentation presented to the Welsh Government. The Technical

Paper “sets out the preferred option for growth within the County and how this will potentially affect population totals and structures, dwelling requirements and housing mix, and it identifies the jobs and employment land implications of the projected growth.” The Technical Paper refers to BE Group’s reports mentioned above in its conversion of jobs growth to housing requirement.

- 1.5 Council has prepared a Preferred Strategy (November 2017), which has gone through consultation and has been submitted to the Welsh Government for comment. The Welsh Government has requested clarification on the employment land requirement and jobs target. This Advice will form part of the response to the Welsh Government to clarify this issue and responds to specific items set out in the Brief.

## 2.0 SUMMARY OF EMPLOYMENT FORECASTS

2.1 The following provides a summary of the employment forecasts of the three documents considered, including details on the underlining assumptions and approaches for each.

2.2 The table below summarises the information for the Employment Land Review (ELR).

**Table 1: Employment Land Review Summary**

<b>Metric</b>	<b>Comment</b>
Date	October 2015 (final report)
Author	BE Group
Objective of study	Assess the supply, need and demand for employment land and premises for Flintshire and Wrexham Counties. Figures and commentary below relate to Flintshire only.
Forecast period	2015-2030
Forecast employment land requirement	28.50 ha
Methodology	Based on Cambridge Econometrics forecasts of employment numbers, which were broken down by industry sector. Assumptions were made as to the likely proportions of each industry sector's employment that would be located on B-class employment land. Employment land and floorspace estimates were derived by applying industry standards for jobs/sqm of floorspace and sqm of floorspace/ha of land.  As some industry sectors were projected to grow and some decline, the floorspace and land projections had positive and negative components. The 28.50 ha of employment land was based on the growth sectors only.
Alternative methodology	The report also looked at past employment land take-up rates in the County. This past rate was extrapolated over the forecast period to provide an alternative employment land forecast, which was 82.50 ha of employment land over the forecast period. However, it was recommended that the land forecast based on the Cambridge Econometrics forecasts would be the preferred employment land requirement for Flintshire.
Existing employment land supply	326 ha of baseline available employment land (gross) as at March 2014  Net supply estimated to be 223.94 ha (net), which excludes constrained land, sites proposed for alternative uses, etc.

Source: *Employment Land Review, 2015*

2.3 The Employment Land Review included an analysis of the existing supply of available employment land (i.e. vacant, allocated land that could be built upon) at the time of the report. It was a full employment land analysis in line with Planning Policy Wales requirements and Technical Advice Note (TAN) 23.

2.4 The table below summarises the information for the Employment Growth Scenarios Assessment.

**Table 2: Further Employment Growth Scenarios Assessment Summary**

<b>Metric</b>	<b>Comment</b>
Date	October 2015
Author	BE Group
Objective of study	To provide updated employment land forecasting scenarios compared to the ELR, taking into account latest information on performance of strategic sites such as Deeside Enterprise Zone and updated employment numbers.
Forecast period	2015-2030
Forecast employment land requirement	31.3-50.6 ha
Methodology	<p>This further advice deliberately adopted the same methodology as used in the ELR. Three further employment scenarios were devised based on more bullish assumptions on the growth of the strategic employment sites. These assumptions were then used to develop revised sector-based employment forecasts, which were used to derive employment land and floorspace demand estimates.</p> <p>The planning for the strategic sites of the Northern Gateway in the Deeside Enterprise Zone and Warren Hall were examined to estimate their employment capacities upon completion. This employment was estimated using typical floorspace per job ratios for the different employment uses anticipated for the sites and assumptions on the likely mix of uses, with reference to the masterplans or intents for the sites at that time. These employment capacity numbers should be interpreted as the peak potential employment on the sites if fully built out (Northern Gateway about 5,500-7,000 jobs; Warren Hall about 3,000 jobs). The report did not give an estimate of the timeframe that this would be likely to occur, which may be beyond 2030, commensurate with their long-term, strategic roles.</p> <p>The three further employment scenarios were then calculated to 2030, with stronger assumptions on growth in the key sectors likely to be present within the strategic sites. The results of these scenarios were job forecasts of 1,300-6,000 jobs above the baseline 2030 forecast (or 2,500-7,200 jobs above the 2015 levels). This equated to a land requirement of 31.3-50.6 ha. The three scenarios were differentiated by the underlying assumptions for the growth of employment on the strategic employment sites. The upper range represents a more ambitious growth assumption, more in line with Flintshire County's strategic growth approach.</p>
Existing employment land supply	This report referred to the existing supply estimate in the ELR and did not review existing supply separately (other than looking at Northern Gateway and Warren Hall).
Commentary on relationship	The report looked at four population projection scenarios for Flintshire using 2011-based projections and 2014-based projections

<p>between housing/population growth and employment land demand</p>	<p>and assumptions on migration levels. These population projections were either prepared by Welsh Government or Conwy County Borough Council as specific scenario testing for Flintshire. BE Group took these population projections, and through adopting assumptions as to economic activity levels, age profiles and commuting levels, calculated how much of the growing population would also be working within Flintshire. This was in turn used to calculate an employment land demand generated by this growing residential population. That is, how much employment land would be required to provide sufficient employment opportunities for the growing residential population (that proportion of the population growth that would also be working in Flintshire).</p> <p>This was calculated to be between 0.9 ha and 22.6 ha, depending on the population projection adopted. This should not be read as in addition to the employment land demand calculated using the other methodologies, but rather it is a measure of the growing population's implications for employment land. It was noted in the report that this was less than the forecast employment land demand using the more bullish assumptions on the strategic sites (31.3-50.6 ha) and less than the ELR's forecast employment land demand.</p>
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Source: *Further Employment Growth Scenarios Assessment, 2015*

- 2.5 This Further Employment Growth Scenarios Assessment was not a full employment land review in accordance to Planning Policy Wales and TAN 23. Rather it acted as an adjunct or addendum to the ELR, exploring additional forecast scenarios based on more recent information and more bullish assumptions regarding the Northern Gateway and Warren Hall employment sites. Growth, led by these strategic sites, is likely to spur further growth more generally in the County.
- 2.6 In terms of how the two reports are to be interpreted in assessing the employment land requirement (demand) for Flintshire, the two reports should be read in conjunction. The ELR provides the most likely forecast for employment land demand to 2030 (as at 2015), based on employment numbers forecasts prepared at that time and a continuation of trend growth. The Further Employment Growth Scenarios Assessment's forecasts for employment land demand represents a step change that assumes that a concerted, aggressive approach is taken to the growth and development of the strategic sites at Deeside Enterprise Zone (Northern Gateway) and Warren Hall. These scenarios should be adopted if an active policy to pursue growth in the strategic sites is undertaken by Flintshire County Council.
- 2.7 Regarding terminology in the two reports prepared by BE Group, the following should be noted:
- **Land supply:** allocated employment land in the County that remains potentially available for development (vacant land)

- **Employment land demand/requirement:** amount of employment land that has been calculated to be needed over the forecast period to service Flintshire’s employment growth
- **Land provision:** depending on context, however in the Conclusions of the ELR when considering ‘additional provision’ it is in relation to whether additional land should be provided in order to meet demand above existing land supply.

2.8 The table below summarises the information for the Technical Paper: population and household projections with dwelling and employment impacts.

**Table 3: Technical Paper: Population and Household Projections with Dwelling and Employment Impacts Summary**

Metric	Comment
Date	November 2017
Author	Corporate Research and Information Unit, Conwy County Council
Objective of study	<p>The paper sets out the preferred option for growth within Flintshire and how this will affect population totals and structures, dwelling requirements and housing mix and jobs and employment land implications.</p> <p>The objective of the Technical Paper was to present the housing requirement that would result from adopting an employment-led vision for the growth in Flintshire. The employment-led vision was to show ambition, in response to the feedback received during consultation.</p>
Forecast period	2015-2030
Forecast employment land requirement	56.5-70.7 ha
Forecast dwelling requirement	6,950 dwellings (requirement mid-point)
Methodology	<p>The Technical Paper calculated a housing requirement from the employment numbers within the Further Employment Growth Scenarios Assessment. This was calculated using assumptions on the economic activity levels, average household size, commuting rates and unemployment rates (essentially the reverse of the calculation based on the population growth projections in the Further Employment Growth Scenarios Assessment). The calculations also used a dwelling to household ratio to obtain a new dwellings requirement.</p> <p>The employment numbers adopted were 8,000-10,000 jobs, which were drawn from the capacity figures of the strategic sites in the Further Employment Scenarios Assessment. The calculated employment land requirement was also based on the employment growth of 8,000-10,000 jobs, using the same methodology as BE Group’s reports to convert to land area.</p>

<p>Commentary on relationship between housing/population growth and employment land demand</p>	<p>The crux of the Technical Paper is the calculation of the housing requirement from the employment forecasts of the Further Employment Scenarios Assessment. The calculations following a logical and appropriate methodology.</p> <p>Critically, the calculations are based on the assumption that the preferred strategy will be employment-driven and pursue a strong growth objective. Therefore, it is appropriate to adopt the more ambitious forecasting in the Further Employment Scenarios Assessment, rather than the ELR, which is a closer approximation of an on-trend approach (although still considered at the time of writing of the ELR, a positive growth option). The 8,000-10,000 jobs figure is an estimate of the full capacity of the strategic sites and thus an estimation of the growth level upon the successful development of these sites. Therefore, it could be considered an aspiration scenario.</p>
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*Source: Technical Paper: population and household projections with dwelling and employment impacts, 2017*

- 2.9 This Technical Paper outlines the preferred growth option for Flintshire, which is to show ambition in economic growth and housing provision. This is a reasonable and defensible preferred approach for Flintshire.
  
- 2.10 The 8,000-10,000 jobs figure from the Further Employment Scenarios Assessment could be seen as an aspiration or ambition for the County, if the strategic sites are fully developed and realised. The dwelling requirement of 6,950 dwellings is based upon this aspiration trajectory.
  
- 2.11 The three 2015-2030 jobs forecasts in the Further Employment Scenarios Assessment are provided in Chapter 4.0 of the report and are for jobs growth of 1,300-6,000 jobs above the baseline 2030 forecast (or 2,500-7,200 jobs above the 2015 levels). These should be read as potential trajectories to 2030 without the complete development of the strategic sites by that point (though a substantial proportion of the sites developed).
  
- 2.12 Calculating the dwelling requirement figure for the upper level of this forecast using the same approach as the Technical Paper suggests a revised total dwelling requirement (including contingencies) of about 6,500 dwellings over the forecast period, equating to 430 dwellings per annum. Below tabulates the dwelling requirements from the three forecast scenarios and the aspirational trajectory.

**Table 4: Dwelling Requirements from Growth Trajectories**

<b>Additional Jobs</b>	<b>Additional Dwellings</b>
+2,500	2,200
+5,000	4,400
+7,200	6,500
+8,000-10,000	6,950

*Sources: Further Employment Growth Scenarios Assessment, 2015; Technical Paper, 2017; BE Group's calculations, 2019*

- 2.13 This follows the same methodology as the Technical Paper, although not all of the metrics are explicit in the Technical Paper and thus there may be still some differences between the calculations. It is recommended to confirm this approach with the CRIU of Conwy County Council. It is noted that the 2014-based Welsh Government household forecasts (15-year migration trend) estimated a growth of 4,626 households between 2015 and 2030. Welsh Government has since advised that the 2014-based forecasts are too low. Notwithstanding the slight differences between household and dwelling forecasts, this suggests that the higher dwelling growth trajectories in Table 4 are the most appropriate upon which to plan growth.
- 2.14 However, it must be noted that there is not an exact and direct relationship between housing and jobs and thus the information in Table 4 should only be read as indicative. People move jobs more often than they move house and will not necessarily move house when they move job. If they feel they need to move when they take on another job, they may do so months after starting the job, and accept the longer commute, or take temporary accommodation in the interim. Furthermore, there are many other reasons to move house, other than for employment.
- 2.15 It is considered appropriate to look at the upper level of these trajectories as the County is looking to pursue a strong growth trajectory in line with the North Wales Growth Deal and provides the step change to housing growth that would support the strategic employment sites. This should be understood as a strong growth trajectory for Flintshire
- 2.16 The 8,000-10,000 additional jobs scenario should be understood as an ultimate ambition for Flintshire, upon the realisation of the strategic sites. If this additional job scenario is pursued as the preferred growth option for Flintshire, then in regard to employment land, the following should be noted:

- The calculated employment land demand of 56.5-70.7 ha would be appropriate
- This level of employment land demand would be able to be accommodated within Flintshire, given the large quantity of vacant employment land in the County
- It is consistent with the broader region's strategic direction as outlined in the North Wales Growth Deal
- The growth of the strategic employment sites becomes more critical and it would require an on-going concerted effort by Council and regional bodies (e.g. through the Mersey Deeside Alliance, North Wales Growth Deal, Business Wales) to be realised
- The strategic employment sites would be expected to reach capacity at an earlier timeframe, in comparison to the other forecast scenarios, which project further growth on the strategic sites beyond 2030.
- Planning for housing has been based on this larger figure and is seen as supportable.

2.17 The three scenarios for forecasting employment to 2030 presented in the Further Employment Scenarios Assessment are for a more ambitious growth agenda than an on-trend growth for Flintshire. A more ambitious approach is accepted and supported by Flintshire County Council and stakeholders. Furthermore, the 56.5-70.7 ha scenario is an aspirational development option, achievable for the County with a concerted and coordinated effort, concentrating on the strategic sites. The level of ambition pursued for the County is a decision for Flintshire.

2.18 Whatever the strategic direction of Flintshire in the Preferred Strategy, the County's economy will still be subject to influence and impacts (positive and negative) from the wider national and international economies. Therefore, the ability of the economy to meet its ambitious targets will be influenced in part by outside forces, beyond the control of Flintshire County Council or regional bodies. Economic shocks from Brexit or world market changes will impact on the growth of Flintshire's economy meaning that growth is lower than anticipated, or that the ambition cannot be realised in the planning timeframe. Furthermore, strategic business decisions by Flintshire's international businesses (e.g. Airbus) will have consequences for the County's economy as a whole, once again impacting growth targets.

2.19 However, by having an ambitious, open-for-business approach to growth, the County maximises its chances to attract and retain businesses even during more challenging

economic times. Furthermore, it creates the environment that is flexible for growth to take advantage of strong economic conditions.

### 3.0 OVERALL APPROACH TO PREFERRED STRATEGY

3.1 The Preferred Strategy (November 2017) prepared by Flintshire County Council includes the following elements:

- *“Provision for 7,645 new homes to deliver a requirement of 6,950;*
- *Provision of opportunities to deliver 8 -10,000 jobs in the County;*
- *Provision of 223 ha of employment land; and*
- *Application of Spatial Option 5 – Sustainable Distribution plus Refined Approach to Rural Settlements:*
- *Concentration of development in the following sustainable locations - Main Service Centres and the Key Strategic Sites of Northern Gateway and Warren Hall (Broughton); Local Service Centres; and Sustainable Villages - in accordance with the settlement hierarchy and Sustainability Appraisal;*
- *Delivering development in a sensitive needs driven sustainable manner in the Defined and Undefined Villages.”*

3.2 This approach has linked the housing provision to the jobs growth (through the work in the Technical Paper). BE Group supports this approach to the Preferred Strategy, being an employment-led growth strategy. BE Group has been advised that the provision of new homes is now to be 7,992 to deliver the requirement and that the provision of employment land has been revised to 179 ha.

3.3 Generally, growth in local authority areas is led by population or employment development, or a mix of the two. Both approaches have implications for land planning in the area and investment decision-making.

3.4 For Flintshire, an employment-led approach is appropriate. Flintshire has a strong economic base, including a substantial range of nationally and regionally significant employers. The economic base includes a range of moderate to high-skilled employment opportunities (manufacturing, technical, engineering, trade and professional opportunities) that would be far more diverse than if the growth was driven by a solely population growth perspective. Furthermore, an employment-led approach to growth planning is more economically sustainable. Relying on an on-trend population growth scenario would result in lower overall growth and not support the ambitious economic growth trajectory targeted for Flintshire.

- 3.5 Therefore, assessing the potential economic and employment growth of the County, and planning housing growth to be sufficient to provide an appropriate labour force to service that economic growth, is an appropriate and supportable approach to planning. The converse approach (population-led) to look at likely population growth and ensuring there is sufficient employment opportunities for this residential growth risks under-achieving economic growth in Flintshire. Population growth is likely to be only moderate (without an ambition to support local enterprise areas) and thus the required employment opportunities would also only grow moderately. This is likely to lead to difficulties in acquiring local labour in the strategic employment areas in Flintshire. This may then lead to further commuting across local authority borders as shortages in labour are made up by workers from other areas.
- 3.6 However, if starting with the required labour needs and setting housing (and therefore population) growth targets to meet this labour need, then there is an improved potential for the enterprises in Flintshire to grow without being limited by labour shortages. This will help to maximise the economic growth in the County.
- 3.7 It is also important that the growing resident workforce has the appropriate skills for the local employment opportunities. This includes a diverse range of skill sets for local employers to utilise. Therefore, the implications for housing planning would be to ensure that there is a variety of housing options (with a commensurate variety of price points) in the market to enable different worker segments to locate to and continue to reside in Flintshire. One of the four strategic outcomes in the North Wales Growth Deal is for a more skilled workforce for the region.
- 3.8 The role of the Key Strategic Sites is vital to realise the employment-led growth ambition. Northern Gateway and Warren Hall, when developed, will provide a variety of employment opportunities, most notably manufacturing, distribution, professional services and skilled trades. Groundworks and infrastructure works have commenced within the Northern Gateway site and are at an advanced stage.
- 3.9 The Key Strategic Sites are likely to be the locations for the regionally or nationally important businesses, including in key target sectors for regional growth. Therefore, it is appropriate to have a regional approach to supporting the growth of these sites. Regional bodies and strategies, such as the North Wales Growth Deal, the Mersey Deeside Alliance and Business Wales have roles in promoting, financing and/or driving the development of the Key Strategic Sites. The Welsh Government, as landholders at Warren Hall, should look to drive development on this site in line with the regional

and local authority objectives. The Council's role would be in liaising with the landholders and encouraging the timely development and delivery of the sites. The Council can support the on-going planning for the sites.

- 3.10 The Preferred Strategy for employment land in Flintshire includes the provision of 179 ha of employment land, which is significantly in excess of any of the employment land demand forecasts. These sites have been assessed through the ELR process as being appropriate and deliverable for employment uses. Through this objective assessment it was identified that they did not have clear alternative uses and that an employment outcome was the most appropriate outcome for the sites. Retaining a large portfolio reflects the ambition for an employment-led approach to growth in the County, signalling to the market that Flintshire is open for business. A large portfolio provides flexibility and choice of location, land type and price points to both prospective businesses and developers. This large quantity of available employment land can be a significant asset of the County that can be promoted to the development sector. In particular, Flintshire has the ability to accommodate large and very large industrial units, which is an increasingly rare feature across the North East Wales and North West England corridor.
- 3.11 A large portfolio means that the County is not vulnerable to the development whims of a small number of key landholders. Therefore, the risk that the growth targets, which are ambitious, are not realised is reduced. For several of the sites within the portfolio the most apparent use of the land would be for some type of employment use, with alternative land uses not apparent due to surrounding, existing uses, quality of land issues or viability.
- 3.12 Further, periodic consideration of deallocating a portion of the sites could still be undertaken, if realistic alternative land uses emerge or a change in approach is preferred by the Council.
- 3.13 Furthermore, the Safeguarding Policy for the existing principal employment sites and strategic sites shows the Council's prioritisation of these sites as on-going employment locations, helping to protect the sites from encroachment from other uses and planning for the long-term economic future of Flintshire, beyond this plan period.

#### 4.0 COMMENTARY ON RECENT PERFORMANCE IN FLINTSHIRE

- 4.1 This section reviews relevant and recent data on housing and employment in Flintshire, in comparison to the Preferred Strategy for Flintshire between 2015 and 2030.
- 4.2 The most recent available Housing Land Monitoring Statement for Flintshire was released in April 2018. The annual housing completions information within that document is replicated in the table below.

**Table 5: Housing Completions in Flintshire County**

Year	Large Sites	Small Sites	All Sites
2008	334	160	494
2009 and 2010	347	131	478
2011	210	69	279
2012	195	69	264
2013	328	54	382
2014	473	128	601
2015	493	81	574
2016	575	87	662
2017	319	102	421
2018	509	104	613
<b>Average</b>	<b>343</b>	<b>90</b>	<b>433</b>

*Source: Housing Land Monitoring Report, April 2017*

- 4.3 As can be seen from the table, since 2015 housing completions have averaged above the decade average and 2015, 2016 and 2018 have performed above the 2015-2030 annual target of 463 dwellings (for the LDP requirement of 6,950 dwellings over the forecast period). **The 2015-2018 average of 568 dwelling completions is above the target level and represents a strong start to the actual growth for the planning period. It also suggests that such growth targets are supportable in Flintshire.**
- 4.4 Employment growth has been reviewed using Business Register and Employment Survey (BRES) data for Flintshire. Table 6 below summarises the BRES data over the period 2015 to 2017 (the most recent data available), with comparisons to Wales as a whole. The data shows that employment across the County was estimated to have reduced by about 1,000 workers (1.3 percent decline) between 2015 and 2017. By

comparison, employment numbers in Wales was estimated to have been stable for the same period.

**Table 6: Employment Growth in Flintshire 2015-2017**

Sector	Flintshire 2015-17 Change	Flintshire Percent Change	Wales 2015-17 Change	Wales Percent Change
1 : Agriculture, forestry & fishing (A)	0	0.0%	-5,000	-8.2%
2 : Mining, quarrying & utilities (B,D and E)	-250	-20.0%	-4,000	-16.0%
3 : Manufacturing (C)	-1,000	-4.8%	-7,000	-4.8%
4 : Construction (F)	0	0.0%	1,000	1.7%
5 : Motor trades (Part G)	-250	-20.0%	-6,000	-22.2%
6 : Wholesale (Part G)	0	0.0%	-4,000	-11.8%
7 : Retail (Part G)	0	0.0%	-7,000	-5.1%
8 : Transport & storage (inc postal) (H)	-500	-16.7%	-3,000	-6.7%
9 : Accommodation & food services (I)	0	0.0%	-1,000	-1.0%
10 : Information & communication (J)	1,250	71.4%	32,000	160.0%
11 : Financial & insurance (K)	-200	-25.0%	-1,000	-3.3%
12 : Property (L)	-300	-37.5%	-3,000	-15.0%
13 : Professional, scientific & technical (M)	0	0.0%	1,000	1.5%
14 : Business administration & support services (N)	1,000	16.7%	7,000	8.7%
15 : Public administration & defence (O)	-500	-12.5%	1,000	1.2%
16 : Education (P)	-500	-10.0%	-3,000	-2.4%
17 : Health (Q)	0	0.0%	1,000	0.5%
18 : Arts, entertainment, recreation & other services (R,S,T and U)	-250	-14.3%	1,000	1.7%
<b>Total</b>	<b>-1,000</b>	<b>-1.3%</b>	<b>0</b>	<b>0.0%</b>

Source: BRES, 2015-2017

- 4.5 There are significant sectoral differences in employment growth in Flintshire. The sectors highlighted green in the above table were those that experienced positive employment number growth between 2015 and 2017. For Flintshire, this is information and communication and business administration and support services. It should be understood that the BRES figures are based on a survey and thus are subject to fluctuations and uncertainty, particularly for individual sectors. However, the survey does provide an indication of the direction and degree of growth in an area.

- 4.6 **The reduction in overall employment numbers between 2015 and 2017 highlights the need for a strategic direction and plan to increase jobs in line with local and regional growth ambitions.** Therefore, assistance and a common direction at the regional or national level to support the growth agenda, particularly through the support and promotion of the Key Strategic Sites, will be vital in order to achieve the ambitious targets.
- 4.7 It is not considered that the BRES information represents a sufficient reason to deviate from the ambitious growth agenda in the Preferred Strategy. Firstly, the BRES data is subject to variability and uncertainty and the three years of data available within the planning period provides only a small picture. Secondly, with ambitious growth targets, that represent a step change in the economy, the early years are likely to see only modest changes at best, with effects more pronounced in the medium to longer terms. Furthermore, the LDP has not been adopted and the Growth Deal has not yet been approved. This strategic direction will be required to drive this step change in the economy.
- 4.8 However, it does highlight the need for early interventions if the targets are to be achieved, which necessitates certainty around the Preferred Strategy and the implementation of the Emerging Local Development Plan.
- 4.9 The table below summarises office and industrial transaction data in Flintshire since 2015. The table includes total volume of floorspace transacted (leases and occupational sales) and the number of deals, in brackets.

**Table 7: Commercial Property Transactions, Flintshire**

Year	Office (sqm)	Industrial (sqm)
2015	3,564 (4)	30,658 (63)
2016	7,051 (18)	69,688 (54)
2017	2,523 (21)	81,665 (64)
2018	5,202 (11)	45,426 (48)
2019 YTD	0 (0)	9,493 (6)
<b>Total</b>	<b>18,340 (54)</b>	<b>302,452 (235)</b>

Source: Radius Data Exchange, 2019

- 4.10 The table above highlights the importance of the industrial market to Flintshire. The industrial market includes several large units being transacted over recent years. **15 units have been transacted for lease or occupational sales that are over 5,000 sqm (53,820 sqft) since 2015, demonstrating that Flintshire is a location for major businesses.** These larger transactions have predominantly occurred at Deeside Industrial Park.
- 4.11 The following lists investment sales above 5,000 sqm in Flintshire in recent years, demonstrating the investor market's confidence in larger premises in the County.

**Table 8: Commercial Property Transactions, Flintshire**

Location	Sales Date	Size (sqm)	Price (£)
Deeside Industrial Park, Expressway 56	Oct 2016	15,061	7,100,000
Glendale Point, Sandycroft Industrial Estate	Sep 2018	12,677	5,041,000
Deeside Industrial Park, Excel 95	Jul 2017	8,974	4,300,000
Glendale Point, Sandycroft Industrial Estate	Feb 2015	7,004	1,700,000

Source: Radius Data Exchange, 2019

- 4.12 Flintshire's continued ability to be a location for larger industrial premises growth is dependent on the ability to provide a good degree of choice of employment land in appropriate locations and of sufficient size to accommodate large and very large units. Development plots that can accommodate large units are increasingly rare in the broader region, and thus the Preferred Strategy's broad provision of employment land can be promoted as a key feature of Flintshire's economy and a means of continuing to attract larger occupiers.

## 5.0 SUMMARY

- 5.1 The targets for housing and employment within the Preferred Strategy have been derived through a deliberate approach to align housing targets to an ambitious employment growth strategy for Flintshire.
- 5.2 This employment-led approach is a reasonable option for Flintshire, recognising the large potential opportunities for Flintshire due to its capacity for growth on employment land. By aligning housing growth to the demand for labour, it helps to support business growth and reduces the risk of businesses being stifled due to labour constraints.
- 5.3 Both the targets for employment and housing currently in the Preferred Strategy are ambitious and represent a step change for growth in Flintshire.
- 5.4 The three scenarios of growth to 2030 in the Further Employment Scenarios Assessment represented our forecast growth advice to the Council. In terms of an ambitious growth approach, the third scenario forecast additional growth of 7,200 jobs between 2015 and 2030 equating to 50.6 ha of land and a housing provision of approximately 6,500 dwellings (430 dwellings per annum). Whilst the Council subsequently followed a slightly higher and more aspirational growth target based on a capacity estimate of the jobs potential of the two strategic sites, the differential to the lower end of the Council's jobs growth target range is not that great – +800 jobs and +450 dwellings.
- 5.5 The Preferred Strategy targets are a valid approach, as there would be capacity within the Key Strategic Sites to deliver this level of growth, along with the wider residual employment land portfolio. It is a matter of the timing of the delivery, with BE Group's forecasts in the Further Employment Scenarios Assessment suggesting this capacity would be beyond 2030. However, with an on-going, concerted effort to drive employment growth in the Key Strategic Sites, with active involvement at the local authority, regional and national levels, this could be achieved at an earlier juncture than anticipated in our earlier assessment. The North Wales Growth Deal represents a critical component of this effort to drive growth in Flintshire and the wider region.
- 5.6 Recent data on the local market suggests that there is reasonable confidence from commercial operators and investors in the commercial property market. Furthermore, housing completions have been above the decade average in recent years and since 2015 have averaged above the current target in the Preferred Strategy. Overall

employment numbers have slightly reduced and highlights the need for a concerted effort to deliver a step change in employment growth in Flintshire.