

For and on behalf of  
**Telford & Wrekin Council**

# **Newport Employment Land Need Study**

## **Telford Local Plan 2020-2040**

Prepared by  
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## 0.0 EXECUTIVE SUMMARY

### Background and Context

- 0.1 The purpose of this report is to identify an employment land requirement for the Newport sub-area which will be met through strategic policies in the emerging Telford and Wrekin Local Plan. This report provides an update to the 'Newport: The Need for Employment Land' study which was undertaken by Peter Brett Associates (PBA) in 2013. This Report should be read alongside the Part 1 Economic and Housing Development Needs Assessment (October 2020), which sets out recommendations for the employment land requirement for the whole authority area.
- 0.2 Whilst there is no requirement in national policy and guidance to plan for economic development needs on a sub-area basis, Newport plays a significant role in terms of recent delivery and planned future employment growth (including having a current Strategic Employment Area allocation to the south of Newport as designated by the current Local Plan). Therefore this study provides evidence to justify the future location and scale of employment land that should be delivered in the Newport sub-area over the Local Plan period.
- 0.3 This study sets out the characteristics of the current supply of employment land and floorspace in the Newport sub-area, informed by site visits (undertaken in June 2023), desk-based analysis of planning applications and previous employment land studies, and interviews with key local stakeholders including officers at Telford & Wrekin Council, Invest Telford, The Marches LEP and Harper Adams University.
- 0.4 For the reasons summarised below the Study recommends a **minimum 11.7 hectares of additional land and floorspace should be identified** to support future economic development in Newport. The Study recommendations are informed by recent take-up trends as the most robust local indicator of future potential levels of development of land and floorspace. The minimum recommendation provides for flexibility and choice, making provision for potential replacement or reconfiguration of the existing portfolio and recognising previous constraints on quantitative and qualitative changes to the stock of land and floorspace.
- 0.5 The minimum recommendation seeks to avoid potentially distorting effects of delivery of the Newport Innovation Park (Ni-Park) upon assumptions on need and supply that are not neatly captured under any one scenario. The recommendation therefore aligns closely with overall assumptions for labour demand and labour supply for the 2020-2040. This indicates a robust starting point for future provision that is compatible with the context of the existing development in Newport and is not dependent on any specific assumptions for future levels of population and housing growth in the town given the wider economic and commuting links identified by the Study.

### Employment, Demographic and Commuting Trends in the Newport Sub-Area

- 0.6 Whilst the majority of employment land and floorspace in the authority area continues to be focused within and around Telford, the Newport sub-area has in recent years contributed towards a gradual diversification of employment away from lower value manufacturing towards higher value agri-tech and advanced manufacturing sectors. This growth has been mainly focused around Harper Adams University and the development of Ni.PARK (Newport Innovation Park), which is now partially built-out and occupied. The Newport sub-area also has clusters of more established, traditional employment areas such as those to the south-east of the town (Audley Avenue area and Springfield Industrial Estate), as well as smaller office units in the town centre and High Street. The surrounding rural area which Newport serves as part of its hinterland also supports a range of standalone locations providing for

economic development and predominantly rural enterprise.

- 0.7 Analysis of demographic trends shows that the Newport sub-area (both Newport Town and a wider Newport Functional Area) has experienced comparatively higher population growth between 2011 and 2021 than the borough as a whole. This growth is substantially higher amongst children aged under 15 and young adults aged 25-34. This is likely a reflection of the increased levels of residential development in Newport since 2011, relative to past trends. The residence-based workforce in the Newport study area has however grown at a comparatively lower rate than across the borough as a whole since 2011.
- 0.8 In terms of employment by industry, the categories which have seen the highest growth as a percentage of total residence-based employment in the Newport sub-area between 2011 and 2021 are construction, followed by administrative and support service activities, and human health and social work activities. These changes broadly align with those for the borough as a whole.
- 0.9 In terms of considering where workers in the Newport study area live relative to their places of employment, the majority of residence-to-workplace trips from Newport (just over 50% in 2011) correspond to a travel distance of 5-30km, which is reflective of Telford providing the main employment centre for Newport residents.
- 0.10 The outputs of the 2011 and 2021 Census indicate that the characteristics of the resident workforce are a relatively poor indicator of assessing future demand for economic development. However, the employment profile of the resident population is relatively consistent. In circumstances where the level of local employment is consistent, or provides opportunities for future growth, this would provide some prospect to increase the proportion of residents living and working locally.
- 0.11 There are comparatively low levels of self-containment in Newport with figures of around 25% residence-based self-containment (compared with 73% for Telford & Wrekin as a whole) and 37% for workplace-based self-containment (compared with 68% for Telford & Wrekin as a whole). Out-commuting from the Newport sub-area is fairly significant, and is in part a function of the relatively small economic footprint of Newport within its wider context but also potentially a qualitative mismatch between labour supply and opportunities available in the labour market locally (labour demand). Of those who out-commute from the Newport sub-area, 50% have a workplace destination within the wider Telford & Wrekin borough. For Newport this indicates that Telford overwhelmingly attracts the majority of labour demand, notwithstanding that the Newport sub-area sits at the periphery of the administrative boundary.
- 0.12 In terms of in-commuting flows into the Newport sub-area, around 38% of trips are from elsewhere within Telford & Wrekin compared with 29% from outside the borough. The proportion of in-commuting flows coming from outside the borough are slightly higher than for the borough as a whole. This partly reflects the town's location on the road network and at the boundaries of the administrative area but is also likely a function of certain specialist activities such as Higher Education increasing the catchment of the labour market.
- 0.13 Employment growth data (BRES) illustrate a slightly slower overall rate of employment growth in the Newport study area, and lower rates within sectors contributing a higher proportion of economic output (particularly Manufacturing and Financial Services), compared with borough-wide figures. The strongest rate of employment growth has been observed across Business and Professional Services (countering losses from other industries) while employment in Retail and Hospitality has also been stable and out-performed borough-wide trends.
- 0.14 The employment profile of the Newport study area illustrates some change over the last decade but remains quite distinct from the position across the borough as a whole. The

characteristics of land and floorspace for economic development required to support this profile will be sensitive to the requirements of specific industries in the sub-area. This affects jobs densities and whether these reflect typical assumptions to translate these sectors into occupation of property by Use Class.

- 0.15 VOA data show that there has been a 37.5% increase in office floorspace in the Newport sub-area between 2001 and 2022, which is primarily focused in the Newport town centre area. Industrial floorspace in the Newport sub-area has however reduced by 40.5% over the same period. This reflects weaker performance than the borough as a whole which has seen an overall growth in industrial floorspace.
- 0.16 For the reasons discussed above it is a function of the town's relatively small labour and property market that policy to support economic development and capture prospects for potential employment growth should address quantitative and qualitative considerations of land and floorspace needs. While it is important to provide sufficient space for growth in quantitative terms – particularly in the context of a relatively tight existing portfolio and previous floorspace losses – it is also the case that the requirements of different sectors may differ quite significantly from the characteristics of existing provision. The ongoing delivery of Ni-Park at least in-part reflects this wider context.

### **Stakeholder Engagement**

- 0.17 This study has been informed by engagement with stakeholders with interests relevant to economic development in Newport. Analysis of this engagement in particular reveals the role of Harper Adams University and the delivery of Ni-Park since its allocation appear closely aligned to potential drivers of economic growth in the study area.
- 0.18 The changes to the stock of land and floorspace associated with these drivers (particularly via Ni-Park) within the wider context of change in the property and labour market and relationship with population and housing growth are central to opportunities for economic development and job creation. Enhancing and retaining the skills profile of the resident population is likely to be a factor in sustaining output and enhancing opportunities for growth in new and existing sectors.
- 0.19 Pressure on land uses for economic development in Newport has persisted, and stakeholders have indicated this is likely to remain a constraint to opportunities for economic growth and contributes to the property and labour market in Newport remaining relatively distinct and limited compared to Telford & Wrekin as a whole.

### **Future Employment Land Needs in the Newport Sub-Area**

- 0.20 Methodologies derived from labour demand, labour supply and past take-up techniques have been used to inform an assessment of future needs. Chapter 9 of the Part One EHDNA provides an overview of the inputs to the calculation of net and gross requirements for employment land and the principles outlined can be read across with this study.

#### *Labour Demand Scenario*

- 0.21 As an update to the Part One EHDNA outputs, the jobs growth forecasts which underpin the labour demand scenarios in this study are based on the most recently published Experian forecast data (2023).
- 0.22 The 2023 Experian forecasts show a 55% reduction in total employment (workforce jobs) in Telford & Wrekin compared with the 2020 forecasts that underpinned the Part One EHDNA (14,000 versus 6,300 jobs). This reduction in projected workforce jobs is likely influenced by a number of factors including rising inactivity (driven by long-term sickness caused by the pandemic), shrinking labour force, slower population growth and rising labour costs at the national level.



- 0.23 The forecast employment growth for Telford & Wrekin has been apportioned to the study area using the existing number of jobs as recorded in BRES data for Middle Super Output Area statistical geographies within the Newport Functional Area.
- 0.24 The Part One EHDNA applied adjustments to the 2020 forecast to reflect a stronger outlook for growth prospects in local manufacturing. These same adjustments have also been applied to the 2023 forecast together with a number of other adjustments to construction, wholesale & retail, financial, professional & other private services, and public services sectors, to account for local growth sectors including agri-tech.
- 0.25 In terms of taking account of levels of home working, national data on home working from ONS for the period 2012-19 has been extrapolated forward to 2040 illustrating how working from home trends for each industrial sector are likely to change over the period to 2040. However, there is already a higher recorded incidence of home-working recorded as part of the residence-based location of work for the population in Newport. Therefore we have not applied any further adjustment for increased rates of home-working within the forecast period to the calculation of land and floorspace.
- 0.26 The adjusted jobs growth forecasts have been used as the basis for calculating labour demand employment land needs in the sub-area by applying a series of assumptions consistent with those used in the Part One EHDNA, including sector to use class conversions, jobs density assumptions and plot ratios. A net-to-gross conversion has also been undertaken by applying a replacement for future losses (10% of total floorspace stock over the period 2020-2040, equivalent to 1.1ha) together with a margin for flexibility (annualised average take-up applied over five years, equivalent to 3.7ha).
- 0.27 The **labour demand scenario** results in an employment land need (inclusive of flexibility margin and loss replacement) of **7.9ha in the Newport sub-area for the period 2020-2040**.
- 0.28 A **labour demand sensitivity scenario**, which remaps the Sector to Use Class by the split of take-up by floorspace within B2/B8 and Office/Research & Development groupings, results in an alternative employment land need figure of **10.8ha in the Newport sub-area for the period 2020-2040**. The sensitivity scenario provides a potential indicator of jobs density and sector to Use Class information locally that would not necessarily be captured in econometric forecasts for Telford & Wrekin as a whole. This is considered to provide a stronger link with the overall profile of employment and property market characteristics for land and floorspace needs.

#### *Labour Supply Scenario*

- 0.29 The labour supply scenario applies population and household change projections, together with economic activity rate assumption and commuting patterns, to generate a figure for total projected change in the resident labour force and number of jobs supported locally (based on persons working in Newport).
- 0.30 Two different labour supply scenarios have been produced – one using the 2011 commuting ratio, and a sensitivity scenario which assumes the total net additional projection for persons living in Newport, and working, is accounted for as an increase in the total number of persons working within Newport on a 1:1 basis (i.e. no absolute change in the total for net commuting).
- 0.31 The application of adjustments for unemployment and FTE jobs respectively translates the number of jobs supported to **892 and 1,245 under the 2011 commuting ratio and 1:1 sensitivity ratio respectively**.
- 0.32 The 1:1 sensitivity ratio is the recommended labour supply scenario as it is considered to be a robust but relatively conservative assessment of provision for land and floorspace for economic development that might be supported based upon future population change. It is further the case that the 1:1 sensitivity scenario would represent a more sustainable and



positively prepared approach to indicating future requirements based upon labour supply.

- 0.33 The 1:1 labour supply sensitivity scenario results in a total employment land need (inclusive of flexibility margin and loss replacement) of **11.2 ha in the Newport sub-area for the period 2020-2040**.
- 0.34 These outputs, when compared to evidence of labour demand, indicate that the number of jobs supported by projected population and household change would not appear to act as an impediment to supporting market signals for economic development. Labour supply scenarios considered by this study indicate no likely significant adverse effect on commuting trends and relationship between jobs and homes.

*Past Take-up Trend Scenario*

- 0.35 Calculation of take-up trends inclusive of the period to 2022/23 includes the delivery of Phase 1 and Phase 2b at Ni-Park. It is considered reasonable to include these totals as part of take-up trends as they are likely to reflect a response to longer-term pent-up demand and reflect a significant shift in the operation of the property market. There has also been a significant increase in storage and industrial floorspace created as part of rural enterprise with yardspace and small-scale buildings delivered at surrounding settlements such as Howle and Woodcote. It is considered important to capture these trends as a potential response to the loss of industrial floorspace and pent-up demand in Newport itself.
- 0.36 A 20-year forecast demand for land and floorspace has been calculated from take-up trends for the period 2017-2023, taking account of completions since 2020/21 (including delivery at Ni-Park). This completions trend scenario results in a total employment land need of **15.8 ha in the Newport sub-area for the period 2020-2040**.

*Evaluation of Scenario Outputs for Land and Floorspace Needs*

- 0.37 The Report finds that outputs of gross needs identified by the 2013 Study (between 8 and 9 hectares) should be compared to 2020-2040 totals of between 15.8 hectares and 10.8 hectares summarised from the scenarios above. The Report notes that in comparing these outputs to the 2013 Study the wider context for economic development has changed significantly.
- 0.38 The recent and ongoing delivery of land and floorspace as part of the strategic allocation at Ni-Park reflects a significantly different backdrop in terms of existing sources of potential supply towards needs. The increasing profile of Harper Adams University is also significant. Conversely, the property market for economic development within Newport has tightened further, with very limited if any other expected sources of additional supply and no significant current plans for redevelopment or reconfiguration of existing stock potentially acting as a further constraint on demand.
- 0.39 The overall needs for land and floorspace indicated by the Study are likely to contribute to demand at Ni-Park but all three scenarios would require further allocation of land outside the existing urban area.
- 0.40 The Report considers the outputs of all three scenarios as part of recommendations for future land and floorspace needs and recognises that no one approach is definitively preferable to identify needs in the sub-area.
- 0.41 Specifically, this recognises that needs of the **Agri-Tech sector** are not easily captured in labour demand and supply assumptions. Under these scenario assumptions it would not automatically follow that any additional land to be allocated should be safeguarded for these uses. However, the specific delivery model at Ni-Park that has provided specific benefits for this sector suggesting **wider justification for policy support for the Agri-Tech sector** not necessarily captured by (i.e., potentially separate from) need and supply assumptions under

these scenarios.

- 0.42 In terms of take-up trends these have principally been driven by the recent delivery of Ni-Park and it is reasonable to forecast future needs based on these trends. However, it would be crude to interpret the take-up scenario as supporting the residual of needs for the total 15.8 hectare trend for the 2020-2040 (7.8ha net of completions up to 2023) being provided solely by the remainder of the current allocated site at Ni-Park.
- 0.43 The 15.8ha gross 2020-2040 total is the highest of all three scenarios, and most directly reflects actual trends in Newport. However, a 7.8ha residual for 2023-2040 is at least in part impacted by constraints to take-up elsewhere in Newport itself. This is further considered in the supply/demand balance findings provided by the Study.

### Supply/Demand Balance

- 0.44 This study calculates the currently supply pipeline of employment floorspace at 1 April 2023 (including allocations and permissions) as 19,747 sqm, of which 16,770 sqm is located at Ni-Park.
- 0.45 No significant potential reconfiguration of existing stock resulting in qualitative or quantitative gains are attributable to the supply/demand balance assumptions in the Study. As a result, the Study supports the **redefinition of the existing Strategic Employment Area boundaries** to areas comprising existing land and floorspace together with the current allocation of Site Ref E27 at Ni-Park.
- 0.46 Taking account of the committed supply pipeline, including the remainder of the Ni-Park allocation, the residual requirement for each of the three employment land need scenarios is as follows:

Scenario	Labour Demand Sensitivity Scenario	Labour Supply (1:1 ratio) Scenario	Past Take-up Trend Scenario
Total Employment Land Requirement (ha) (2020-2040)	10.8	11.2	15.8
Residual Employment Land Requirement (ha) (2023-2040)	4.5	4.9	7.8

- 0.47 The findings of the supply/demand balance for this study indicate that a minimum **4.5 to 7.8 hectares** is likely to be required for the remainder of the period 2020-2040 (i.e. from 2023 onwards). This takes into account evidence of labour demand, future projected changes in labour supply and recent take-up at Ni-Park and within the wider functional area. It is recommended that this is the starting point for the identification of additional land to support economic development in Newport.
- 0.48 Recent take-up trends are recommended as the most robust local indicator of future potential levels of development of land and floorspace. The residual based 7.8 hectare requirement based on take-up trends is considered a preferred starting point. However, future provision for land and floorspace consistent with this trend would limit flexibility to respond to faster take-up at Ni-Park. This would also restrict providing further measures to diversify supply or enable reconfiguration of the existing portfolio of employment land at Newport. Providing for this flexibility, and to ensure a positive approach to economic development for the remainder of the plan period, would entail a need for additional land and floorspace beyond the recommendations of this Report based on the take-up scenario alone.
- 0.49 The Study recommends that the residual needs under the take-up scenario for the period 2023-2040 are subject to an uplift of 50% (**+3.9ha; 7.8ha + 3.9ha = 11.7ha**). This would

provide for flexibility and contingency and is broadly equivalent to the land area within the existing Strategic Employment Area designation (separately from Ni-Park) previously indicated for gross gains in employment land at the time the current Local Plan was adopted<sup>1</sup>.

- 0.50 The uplift would also support and be consistent with the continued short-term safeguarding for specific Agri-Tech at Ni-Park uses consistent with those already provided on-site. The uplift is further justified due to the result being relatively more comparable to the gross outputs for labour demand and labour supply scenarios for the 2020-2040 (10.8ha to 11.2ha). The uplift to the take-up scenario narrows the distinction between the scenarios and seeks to avoid the potentially distorting effects of Ni-Park for assumptions on need and supply that are not neatly captured under any one scenario.

### Recommendations

- 0.51 The key recommendations of this study are as follows:
- The scenarios set out in this study identify gross employment land needs of **between 10.8ha and 15.8ha** in the Newport sub-area for the period 2020-2040.
  - Balancing quantitative and qualitative considerations including support for the emerging Agri-Tech sector the minimum provision of an additional **7.8 hectares** using the past take-up scenario would appear the most reasonable starting point. This has the advantage of most closely reflecting the characteristics for delivery at Ni-Park within the findings for need and supply.
  - The minimum residual employment land needs figure that needs to be met through new allocations in the Newport sub-area is **11.7 hectares**. This represents the **baseline residual need of 7.8 hectares, plus an additional 3.9 hectares (50% uplift)** to reflect the fact that Ni-Park is being protected for agri-business uses and to take account of labour demand and labour supply factors, including providing positive support for economic development in Newport.
  - The Study recommendations on the supply/demand balance and minimum additional land and floorspace required provide support for specific policy provisions and land-use decisions in relation to the **Agri-Tech sector**.
  - Based on the conclusions of the supply/demand balance the Study supports the **redefinition of the existing Strategic Employment Area boundaries** to areas comprising existing land and floorspace together with the current allocation of Site Ref E27 at Ni-Park.
  - The amount of employment land required in the Newport sub-area is not tied to equivalent amount of housing land, as it is not anticipated that everyone working in Newport will also be living there, due to past commuting trends and the characteristics of the local employment profile and potential growth sectors.

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<sup>1</sup> 4.5 hectares within application reference TWC/2011/0871

## 1.0 INTRODUCTION AND CONTEXT

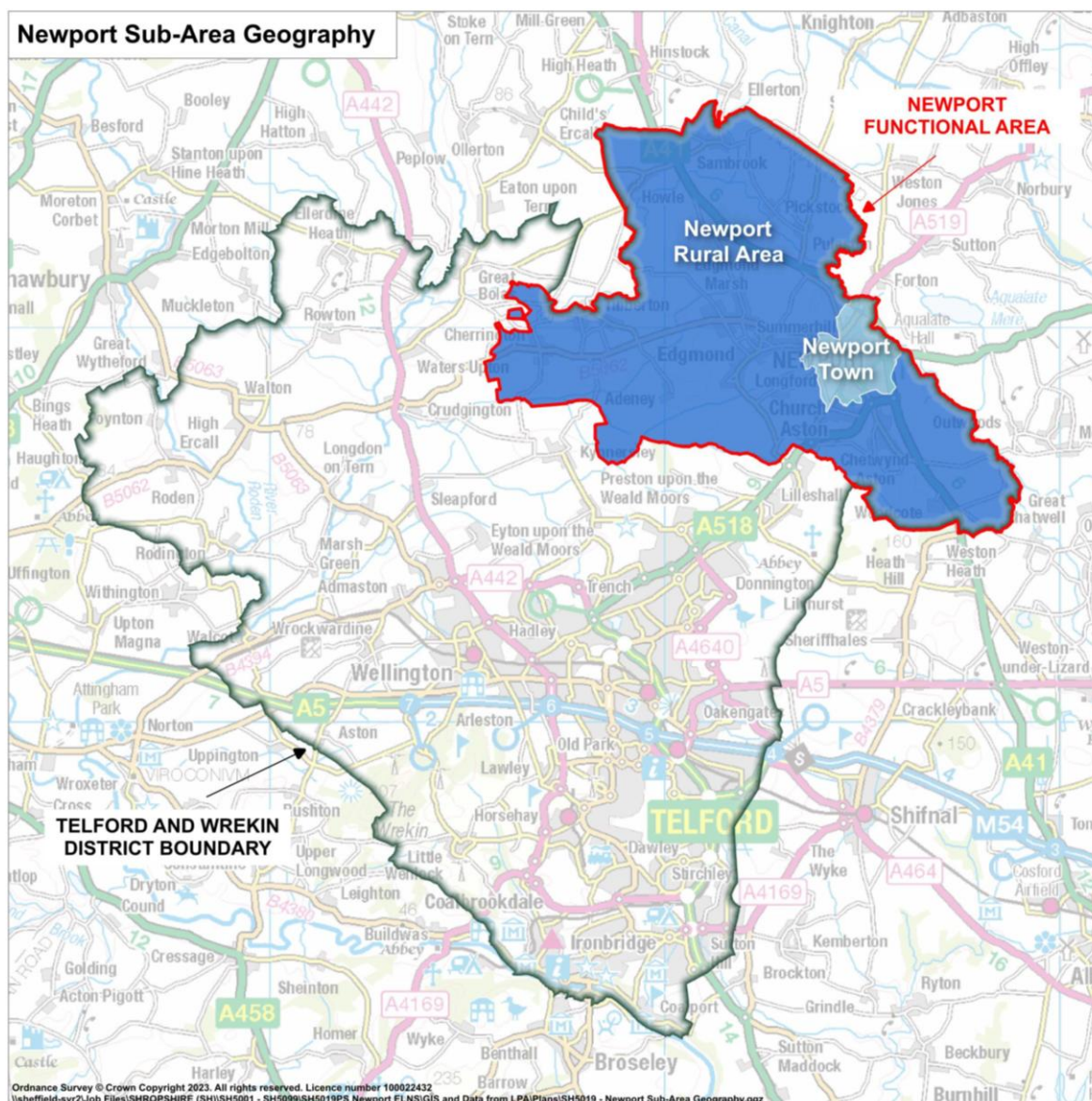
- 1.1 There is no express requirement within current national policy and guidance for local planning authorities to prepare strategic policies for economic development to set out needs for these uses on a sub-area basis. However, there is a clear rationale for such an approach in Newport given the background to the existing spatial strategy and Newport's role within this, and to respond to claims of potentially increased demand in this sub-area.
- 1.2 The context for the preparation of this Employment Land Needs Study (ELNS) for Newport can be established with reference to the adopted development plan and its pre-existing evidence base. The report "Newport: The Need for Employment Land" (PBA, November 2013) corresponds to the text at paragraph 4.1.1.8 of the adopted Local Plan (2018) in terms of an identified requirement for 8-9 hectares of employment land and thus supports the designation of the Newport Strategic Employment Area through Policy EC1.
- 1.3 The starting point for the preparation of this ELNS reflects that circumstances may have changed significantly in terms of overall needs and local priorities for economic development in Newport. For example, at the time of preparing evidence for the existing Local Plan full 2011 Census data on commuting flows had yet to be released and the employment land portfolio (including recent take-up) has evolved over the past decade.
- 1.4 It is important that the new ELNS reflects these and other locally important changes, as well as securing input from key local stakeholders, together with being informed by macro-economic changes such as those arising since Brexit. The new ELNS is also required to take account of potentially different future levels of housing growth being considered for Newport (anticipated to be between 8-14%), as well as recent delivery and take-up trends (including at the Strategic Employment Area allocated in the current adopted Local Plan on land south of Newport), and will therefore assist the Council in assessing the current range of interests and requirements for meeting any identified current and future economic development needs.
- 1.5 The land and floorspace requirements identified in this study relate to the requirements for business and commercial activities. The current and pre-existing definition of these activities has been the subject of recent changes to the Town and Country Planning (Use Classes) Order 1987 (as amended). Specifically, these (as currently defined) comprise:
  - E(g)(i) – Office (for the purposes of operation and administrative functions)
  - E(g)(ii) – Research & development
  - E(g)(iii) – Industrial processes, sometimes termed 'light industrial uses' (where those activities could be carried out in a residential area without detriment to its amenity)
  - B2 – General industrial processes (excluding incineration, chemical treatment, landfill or hazardous waste)
  - B8 – Storage & distribution (including open storage)

### a) Sub-Area Definition

- 1.6 In the absence of a more recent definition, this study is based on a Newport sub-area geography as identified in the Part 1 EHDNA (based on relevant MSOA boundaries and referred to as 'Newport Town') as well as that within the Newport Study 2006 (Freeth Cartwright for Telford & Wrekin Council) which identifies a wider functional rural hinterland. Together, Newport Town and the surrounding rural hinterland are referred to as the 'Newport Functional Area', as shown in Figure 1 below. Most changes are expected to be identified within the 'Newport Town' sub-area boundary reflecting the main built area.



**Figure 1 Newport Sub-Area Geography**



**b) Relationship with Previous Employment Land Study**

- 1.7 The previous employment land study, 'Newport: The Need for Employment Land', was undertaken by Peter Brett Associates (PBA) in 2013. The original study was relatively 'narrative' in terms of its approach. It utilised a broader scope for certain assumptions and judgements to apply the three typically used approaches to assess needs for economic development (labour demand, labour supply and take-up trends) to the local context in Newport. These judgements were, however, informed by key local stakeholder engagement and market insight together with a summary of development trends and expected future supply at that time.
- 1.8 This pre-existing evidence base nonetheless substantially pre-dates the adopted Plan and more recent trends in economic development (together with associated changes to national policy and guidance).
- 1.9 The PBA (2013) study established a quantitative need figure and envisaged that this would need to comprise new land and floorspace to deliver any net increase to the employment

land portfolio. It did not define an overall strategy or recommendations for how this need could be delivered. Pressure upon the existing portfolio is acknowledged within the 2013 study, but the extent of this pressure is arguably understated with reference to recent events.

- 1.10 This ELNS provides a timely update to the PBA (2013) study, taking account of current economic and market conditions (such as the impacts of Covid-19 and Brexit) and existing employment land supply and demand, to provide an updated assessment of the need for employment land in the Newport sub-area of the plan period.

**c) Relationship with Part 1 EHDNA**

- 1.11 This ELNS will provide an update to address the significant period of time since the evidence base for economic development in Newport was last updated. This is considered in the context of more recent evidence for the emerging Local Plan 2020-2040, including the Part 1 Economic Housing and Development Needs Assessment for Telford & Wrekin (EHDNA) which was prepared by DLP in 2020 and provides a borough-wide assessment of needs for economic development.
- 1.12 The Part 1 EHDNA provides an understanding of more recent drivers for economic development (including potential effects arising from Brexit and the Covid-19 pandemic) and expected trends in population change and jobs growth. These are relevant inputs to the preparation of a new ELNS.
- 1.13 While there will be a local component to identifying future needs in Newport, an element of consistency across the evidence base is important and desirable. This is considered achievable within the context of methodologies for assessment future needs. For example, the use of Experian econometric forecasts informed both the PBA (2013) study and the Part 1 EHDNA. In this context obtaining an up-to-date econometric forecast as a 'sense-check' for this ELNS will provide consistency.
- 1.14 The methodology for this ELNS provides the basis for interpreting the Part 1 EHDNA outputs in greater detail for the local context, while updating the approach provided by the previous PBA (2013) study. This looks to ensure a locally responsive approach to informing specific requirements and drivers for employment development in Newport.



## 2.0 POLICY CONTEXT AND LITERATURE REVIEW

2.1 The methodology and ultimately the outputs for this ELNS seek reflect the most recent local and national policy and guidance. This includes two adopted neighbourhood plans and a requirement through national policy to support key sectors.

2.2 This section also provides a summary of documents and existing evidence relevant to inform the strategy for economic development in Newport such as relevant references within the Marches LEP Local Industrial Strategy and Strategic Economic Plan.

### a) National Planning Policy Framework

2.3 In respect of plan-making, paragraph 32 of the National Planning Policy Framework 2024 (NPPF) states that the preparation and review of all policies should be underpinned by relevant and up-to-date evidence. This should be adequate and proportionate, focused tightly on supporting and justifying the policies concerned, and take into account relevant market signals. This ELNS provides up-to-date evidence and assessment of economic market signals in the context of the Newport sub-area.

2.4 In respect of supporting economic growth, the NPPF states that planning policies should help create the conditions in which businesses can invest, expand and adapt (paragraph 85). Paragraph 86 goes on to state that planning policies should:

*a) set out a clear economic vision and strategy which positively and proactively encourages sustainable economic growth, having regard to the national industrial strategy and any relevant Local Industrial Strategies and other local policies for economic development and regeneration;*

*b) set criteria and identify strategic sites, for local and inward investment to match the strategy and to meet anticipated needs over the plan period;*

*c) pay particular regard to facilitating development to meet the needs of a modern economy, including by identifying suitable locations for uses such as laboratories, gigafactories, data centres, digital infrastructure, freight and logistics;*

*d) seek to address potential barriers to investment, such as inadequate infrastructure, services or housing, or a poor environment; and*

*e) be flexible enough to accommodate needs not anticipated in the plan, and allow for new and flexible working practices and spaces to enable a rapid response to changes in economic circumstances.*

2.5 Therefore, in addition to considering the employment needs generated by jobs growth forecasts, the employment needs of existing residents in the functional economic market area must also be considered, as well as the need to increase the skill level of the labour force and the job density. This may, in some instances, point to the need for market intervention.

2.6 Paragraph 87 states that planning policies and decisions should recognise and address the specific locational requirements of different sectors. This includes making provision for clusters or networks of knowledge and data-driven, creative or high technology industries; and for new, expanded or upgraded facilities and infrastructure that are needed to support the growth of these industries; and for storage and distribution operations at a variety of scales and in suitably accessible locations. The agri-tech cluster that is being established at Ni.PARK is one such sector whose specific locational and growth requirements should be identified and addressed.

2.7 The study area for this ELNS reflects Newport's role as a market town sharing retail and service functions with neighbouring settlements and a wider rural hinterland. The NPPF2024

makes provisions to support the prosperity of the rural economy which are relevant in this context. Paragraph 88 seeks policies that meet the growth and expansion requirements of all businesses whether through well-designed new development or the conversion and extension of existing buildings. Policies should also support development and diversification of agricultural and other land-based rural businesses.

- 2.8 Paragraph 89 recognises that the future needs of business may require provision of sites adjacent or beyond existing settlements (utilising previously developed land or sites well-related to the settlement in question, where possible). Provision should have regard to the requirements of sustainable development including minimising highways impacts and promoting accessibility through alternatives to the private car. These provisions in-part link to national policy for rural housing and the role new development may play in maintaining and enhancing vitality and supporting services nearby (Paragraph 83).

**b) National Planning Practice Guidance (PPG)**

- 2.9 In respect of determining the type of employment land that is needed within a local authority area, Planning Practice Guidance (PPG) states that:

*“Strategic policy-making authorities will need to prepare a robust evidence base to understand existing business needs, which will need to be kept under review to reflect local circumstances and market conditions. National economic trends may not automatically translate to particular areas with a distinct employment base.”*

(PPG, ref. 2a-025-20190220)

- 2.10 PPG sets out guidance on the best approach for determining the type of employment land that is required in an area, including through the gathering and assessment of appropriate forms of evidence including:

- *the best fit functional economic market area*
- *the existing stock of land for employment uses within the area;*
- *the recent pattern of employment land supply and loss – for example based on extant planning permissions and planning applications (or losses to permitted development);*
- *evidence of market demand (including the locational and premises requirements of particular types of business) – sourced from local data and market intelligence, such as recent surveys of business needs, discussions with developers and property agents and engagement with business and economic forums;*
- *wider market signals relating to economic growth, diversification and innovation; and*
- *any evidence of market failure – such as physical or ownership constraints that prevent the employment site being used effectively.*

(PPG, ref. 2a-026-20190220)

- 2.11 Market signals, such as those derived from employment forecasts, labour supply projections, past take-up trends and consultation with stakeholders about levels of demand), can be used to forecast future employment needs (PPG, ref. 2a-027-20190220).
- 2.12 Such evidence is used to inform the assessment of future employment land needs in the Newport sub-area as set out later in this report.

**c) Telford & Wrekin Local Plan (2011-2031)**

- 2.13 The Telford & Wrekin Local Plan 2011 – 2031 (adopted January 2018) provides strategic policies relevant to the spatial strategy for Newport and setting out the approach to economic development supported within the town and more widely. The policies and allocations contained in the adopted Plan have replaced those previously contained within the Core

Strategy 2007 and saved policies of the Wrekin Local Plan 1995-2006 which informed preparation of the pre-existing evidence base for the need for employment land in Newport. This is significant in terms of the evolution of the policy context and the increased provision for both housing and employment land that is reflected in current planning policy as well as setting a new baseline for the plan-making process to consider future policy approaches.

- 2.14 **Policy SP2** outlines the spatial strategy for Newport. Supporting text at paragraph 3.2.2.1 of the Local Plan reflects planning for change to the town's traditional role. The strategy envisages support for revitalisation and expansion in the town's economy and service base as part of responding to changes in wider society, the national economy and restructuring of the pre-existing agricultural sector locally.
- 2.15 The policy itself confirms the role of Newport as a Market Town and cross-refers to Policy EC4 placing Newport at the second tier of the Council's hierarchy of centres for the purpose of focusing retail, office, leisure and other service provision. The policy also specifies support for the delivery of around 1,330 homes at Newport in the period to 2031. This corresponds to around 8% of the housing requirement of 17,280 dwellings specified in Policy HO1. While not directly related this is a similar proportion to Newport's overall share of the population of the borough specified at 8% in paragraph 2.1.12.
- 2.16 **Policy SP2** also confirms support for the identification of additional employment land to provide local employment opportunities and specifies the delivery of employment land south of the A518 to achieve this. The land identified comprises around 10 hectares to broaden the range of options for the market and provide flexibility over the lifetime of the Local Plan and responds to the quantitative recommendations of the 'Newport: The Need for Employment Land' (2013) study.
- 2.17 Paragraph 3.2.2.2 states that achieving a sustainable economy within the town would assist with enhancing prosperity in the borough and strengthening the town's role. The approach to achieving this seeks to reflect an appropriate balance between the quantity and type of employment opportunities available in the town, and the available quantity and type of local skills in close proximity to major concentrations of employment in Telford and the growing agricultural technology and research reputation of Harper Adams University.
- 2.18 Chapter 4 of the Local Plan makes specific provisions for the borough's economy. Paragraph 4.1.2 identifies that strategic employment areas, which are stated to include land at South Newport, provide capacity for the borough's economy to grow and consolidate its position as a regional powerhouse.
- 2.19 **Policy EC1** of the Telford & Wrekin Local Plan 2011-2031 sets out the Council's approach to promoting new inward investment on seven strategic employment areas (SEAs), which are identified as the largest parcels of serviceable employment land and are distributed throughout the borough.
- 2.20 As set out in **Policy EC1**, these SEAs are expected to deliver B Use Classes (as previously defined) along with sui generis uses associated with B Use Class activity such as waste management and ancillary uses that support the SEA.
- 2.21 **Policy EC1** also states that it is anticipated that a minimum addition of 76 hectares of employment land will be required to be delivered over the lifetime of the plan until 2031 in order to help facilitate and sustain the additional housing being delivered. In order to provide choice and flexibility in the range and type of sites available, the Local Plan identifies 149 hectares of employment land, although it was envisaged that much of this would be delivered outside the Local Plan period.
- 2.22 Paragraph 4.1.4 provides an overview of Newport's localised role within the economy:  
*"Industries in Newport and the rural area are more strongly related to agriculture and food*

*production. The Audley Avenue area in south east Newport contains a mixture of small industrial units, silos, warehouses and an enterprise park. Newport Town Centre contains a number of office suites above shops and units in the shopping frontage. This is the main location for offices, including professional services such as solicitors and estate agents. To aid the delivery of Newport's employment land, the Local Plan includes an allocation to the south of the town."*

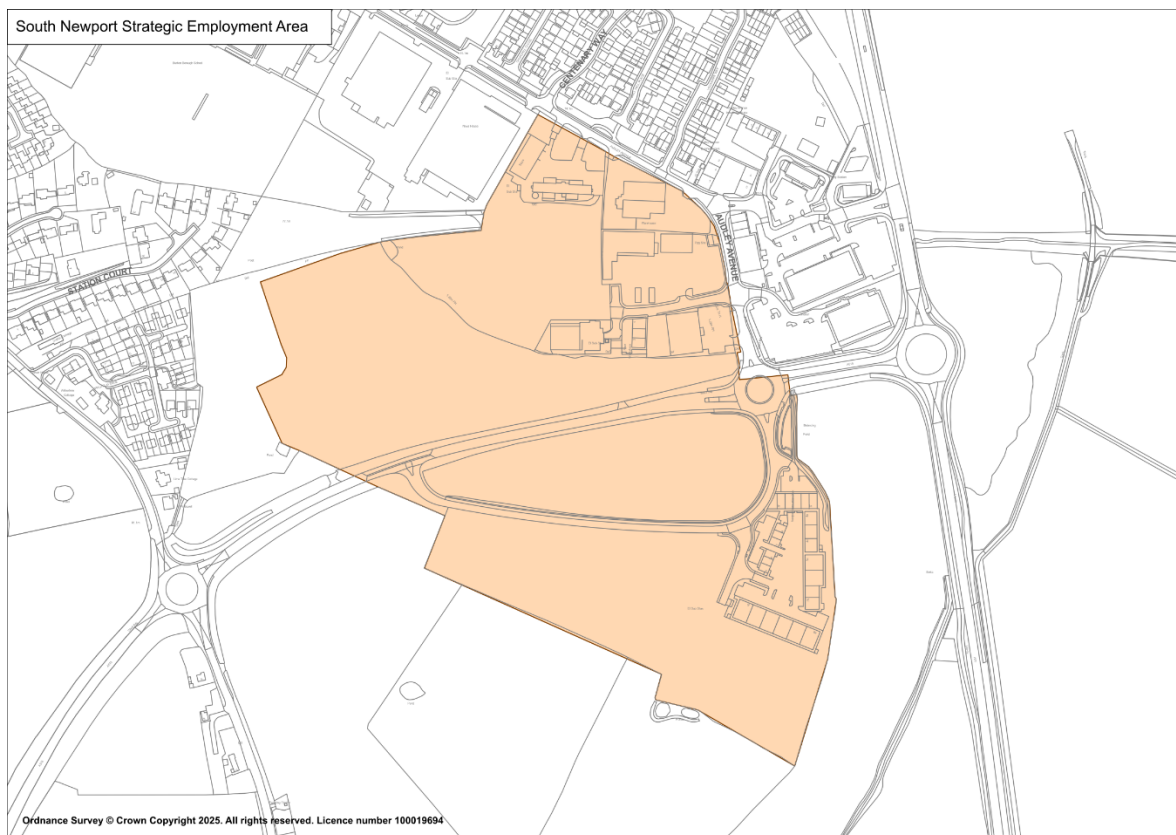
2.23 Paragraph 4.1.5 is also relevant in specifying the contribution of significant employment at Harper Adams University to the economic role of the rural area. Paragraph 4.1.6 of the Local Plan provides background to the Council's corporate strategy for economic development and attracting investment, including the Enterprise Telford pledge to extend support to businesses.

2.24 The **South Newport SEA** allocates around 10 hectares of employment land to the south of the town (allocation site ref. **E27**). Paragraph 4.1.8 of the Local Plan outlines the specific context for the South Newport SEA as distinct from the concentration of provision for primarily manufacturing, warehousing and logistics within the main urban area at Telford:

*"Within Newport there is an identified need for an additional eight to nine hectares of employment land to be allocated. Ten hectares of land have been allocated within the Local Plan to give the market a flexibility of supply and to respond to any future upturn in economic conditions. This will support Newport's Market Town position, attract inward investment to the town, take advantage of the strong representation of the food and drink industries and the potential for growth in agricultural engineering and technology linked with nearby Harper Adams University. The site allocations link positively with the existing industrial areas to the south of the town. Further to the allocations, development is expected to be delivered at Water Lane. However, this site is not considered large enough to require an allocation."*

2.25 The **South Newport SEA** extends to the north and south of the A518, as shown in Figure 2 below.

**Figure 2 South Newport SEA**



Source: SPRU /Telford & Wrekin Council

- 2.26 The Policies Map for the adopted Plan and the schedule of sites at Appendix B confirm that **site allocation ref. E27** extends to 9.68 hectares and as such does not comprise the entirety of undeveloped land within the wider Strategic Employment Area. Table 20 of Appendix B lists the preferred uses for **site ref. E27** as B1a, B1b, B1c, B2 and B8.
- 2.27 The effect of this accounting for supply towards future requirements from land allocated under **site ref. E27** only is that the policy mechanism for the Strategic Employment Area does not act as a like-for-like replacement for spatial policies within earlier development plans. The SEA designation does not inform assumptions regarding the contribution of supply from other undeveloped land within its boundaries towards future requirements.
- 2.28 Specifically, the now-deleted saved Policy E2 of the former Wrekin Local Plan related to 3.05 hectares of land within the SEA boundary that remained undeveloped at the point of adoption of the Local Plan 2011-2031. Constraints to the delivery Policy E2 specifically and to the achievement of a net increase in land and floorspace within land comprising the SEA (excluding the subsequently-allocated site ref. E27) were explored within the pre-existing evidence base provided by the 2013 Newport Employment Land Study.
- 2.29 The main outcome of this (and the policy position provided in the development plan) is that the quantitative recommendations of the 2013 Study are addressed solely upon land within **site ref. E27**, although in-practice this is a relatively one-dimensional interpretation of the dynamics affecting the wider portfolio of employment land in the town. Attention is therefore required in relation to the qualitative characteristics of land within the spatial allocation of **site ref. E27** and how it is delivered in the context of wider demand.
- 2.30 Policy **EC2** provides some context to support employment development in urban areas outside of South Newport. Policy **EC3** is also relevant to the wider context for this study and



the functional economic geography of the Study Area with respect to support for the provision of employment in the rural area where it involves the re-use of previously developed land or the conversion/re-use of redundant buildings or the extension of existing sites (subject to criteria) and well-designed new buildings in certain cases (subject to scale, use and design considerations).

**d) Newport Neighbourhood Plan (2017-2031)**

2.31 The Newport Neighbourhood Plan was prepared by Newport Town Council and 'made' by Telford & Wrekin Council in 2018. The Neighbourhood Plan contains relevant non-strategic policies to support economic development in the town amongst addressing the other priorities of local residents. As such the Neighbourhood Plan complements rather than changes the overall spatial strategy for Newport providing the starting point to this study. The Neighbourhood Plan's vision in-part corresponds to making sure that Newport retains its role as a freestanding market town and continues to provide for important retail and service functions.

2.32 The Neighbourhood Plan identifies the following key objectives identified by local residents:

- *"To retain existing employment sites and protect them from changes to alternative uses in order to protect existing jobs and businesses"*
- *"To secure new job opportunities to provide employment for the growing population and minimise the need to travel to work outside Newport"*

2.33 **Policy E1** of the Neighbourhood Plan relates to employment development in Newport and states that:

*"New business development on land already in commercial use will be supported subject to the following criteria:*

- *The scale and nature of the proposal would not have significant harmful effects on the amenities of the adjoining areas*
- *The proposal would not have unacceptable impacts on the local road network"*

2.34 While land allocated South of the A518 falls outside of the designated Neighbourhood Area paragraph 3.2.3 anticipates that Harper Adams University, working in partnership with the Local Authority, the Town Council the Local Enterprise Partnership (LEP) and a group of industrial partners will continue to act as a catalyst in the development of new agri-tech and agri-food related businesses and jobs that will contribute to the local economy.

2.35 **Policy WL1** provides for the non-strategic allocation of land for development at Water Lane in close proximity to the town centre. This builds upon the Local Plan 2011-2031, which determined that this area may contribute to development in the town but was deemed too small for allocation within strategic policies. Policy WL1 provides support for residentially-led mixed-use proposals to support regeneration of the area. The supporting text to the policy recognises that the existing land uses within the area include some plots that are vacant and dis-used. This reflects that the area makes a limited quantifiable existing contribution to the supply of employment floorspace. For the purposes of this study the policy does not specify any specific level of provision for employment land and floorspace that will be sought through redevelopment.

**e) Edgmond Neighbourhood Plan (2017-2031)**

2.36 The Edgmond Neighbourhood Plan was prepared by Edgmond Parish Council and 'made' by Telford & Wrekin Council in 2018. The Neighbourhood Plan covers the parish of Edgmond which is located 1.6km north-west of Newport town and is predominantly rural in nature. The parish includes Edgmond village, a number of small hamlets and Harper Adams University.



The majority of the parish is covered by agricultural land.

- 2.37 The Neighbourhood Plan has been identified as relevant to this study due to the potential role of its non-strategic policies in managing land uses associated with the University including (potentially) any future proposals providing for economic development.
- 2.38 One of the objectives of the Neighbourhood Plan is *‘to encourage suitable employment opportunities and work to improve public transport options and broadband connectivity’*.
- 2.39 **Policy E1** of the Neighbourhood Plan supports development proposals for suitable, appropriate, small-scale employment opportunities and resists the re-use of land or buildings on existing employment sites for other uses unless certain criteria are met.
- 2.40 **Policy E3** relates to Harper Adams University and seeks to ensure that all new University development takes place in and immediately around the existing development areas of the University campus. It requires that any buildings of more than two storeys (or equivalent) are located north of the B5062 and that any new development will be expected to mitigate any adverse impacts related to design, landscaping, lighting and traffic.
- 2.41 The supporting text of the Neighbourhood Plan recognises the important contribution of Harper Adams University to the local regional economy. The Neighbourhood Plan is further supported by a Statement from the University at Appendix 1 in terms of its priorities for education and potential for future growth and investment. Policy E3 provides local considerations for decision-taking and seeks that all new University development will take place in and immediately around the existing developed areas of the HAU campus.

**f) Enterprise Telford Economic Development Strategy (2016)**

- 2.42 The Council’s previous Economic Development Strategy provides a wider context to support the delivery of Council-owned land allocated within site ref. E27 of the Local Plan 2011-2031 and gives effect to paragraph 4.1.6 of the Plan in terms of support for inward investment.
- 2.43 The strategy seeks to build upon the borough’s sector strengths and clearly specifies the role of food and drink (including agricultural technology) activities. These are specifically linked to the spatial strategy for Newport in terms of the role of Harper Adams University and the role of allocated land to support this sector:

*“The strength of the Harper Adams ‘brand’ offers a unique opportunity for Newport, where we have employment land allocated that is ideally placed to benefit from sector growth. We have created an inward investment proposition for Newport that will link the Harper Adams ‘brand’ to new employment sites, offering the proximity of Harper Adams and access to its research, development and technical support as part of this proposition. We will continue to work closely through the UKTI Agri-Tech Organisation to promote this sector through trade missions and events and support the sector supply chain through the Telford Growth Hub and Sector Champion.” (pp.13)*

- 2.44 The strategy confirms support for bespoke propositions for attracting investment into a new employment site at Newport to support the strong potential for growth.
- 2.45 At the time of preparing this Study, the Council had confirmed its intention to produce a new Economic Strategy expected to be completed in Autumn 2023. The 16 March Council Cabinet Report<sup>2</sup> prepared to support this decision provides a clear indication that the existing provision for economic development in Newport will provide an important plank of this strategy in terms of support for new and growing sectors contributing to recent success, stating:

*“4.36 Growth in new and growing sectors is a priority to deliver high value jobs, to*

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<sup>2</sup> <https://democracy.telford.gov.uk/documents/s17061/Invest%20Telford%20Cabinet%20-%20160323.pdf>

*raise the profile of the Borough and build resilience into the economy. A Town of 'makers' known for its automotive, food and defence manufacturing base the Borough has invested in growing the related agri-technology sector. Recognised as a global growth sector key to future food security the industry is being spearheaded by research and new skills from Harper Adams University.*

*4.37 The expansion of the University, coupled with its new Agri-Engineering Centre for Innovation (Agri-EPI Centre), has created an opportunity to attract high tech businesses from across the world in fields including robotics, sensors, augmented reality systems and enviro-technology. These bring high value jobs and many crossovers into sub sectors of advanced manufacturing.*

*4.38 The partnership between the Council and Harper Adams University has led to the creation of the 25 acre science and enterprise park – Ni.PARK providing a mix of incubation, start up and grow on space for investors in the food and drink and agritech related sectors. Phase One is complete and 70% occupied. This unique offer has been picked up by the Department for International Trade and featured as one of their first High Potential Opportunities (HPO's) marketed internationally to potential investors, promoting Telford's unique expertise in the sector - and investor offer."*

**g) Telford Economic Growth Strategy (2024)**

2.46 The Telford Economic Growth Strategy 2024 is the latest economic development strategy. The document it outlines a comprehensive plan for utilising brownfield and underutilised land to support economic development. This strategy aligns with the development plan, which emphasises the optimisation of Council-owned land to attract inward investment and enhance the local economy.

2.47 The strategy acknowledges the significant role of the Telford Land Deal in facilitating economic growth by making land available for redevelopment, thereby supporting business expansion and attracting investors. Simon Cartwright, Managing Director of CEL Group, noted the impact:

*"Moving to the new site has made a huge difference to the CEL group bringing several of our operations under one roof. Here, we can improve our services and grow faster, which makes it easier for our customers, UK manufacturers, to compete more effectively and grow too. The Telford Land Deal has been instrumental in redeveloping these sites, making it possible for businesses like ourselves to move into smart, purpose-built units and expand our operations and services." (pp.51)*

2.48 The successful delivery of Ni.PARK, an employment park to the south of Newport, highlights Telford's focus on supporting high-value sectors such as 'Agri-tech'. Recognised as a national High Potential Opportunity for agri-tech by the UK Government, Ni.PARK offers bespoke units for end users, supported by the Council's £79m Growth Fund. The park includes facilities designed for research and business growth, with Harper Adams University investing in a new research/education hub further diversifying the use of land on site. This investment illustrates the connection between local academic institutions and industry, enhancing the area's Agri-tech capabilities. The strategy further states:

*"Ni.PARK in Newport has become a centre of excellence in the agri-tech sector, bringing together local, UK, and global businesses with the common goal of advancing sustainable food production. The state-of-the-art Harper Adams University animal diagnostics facility provides opportunities to forge new links with companies in the fast-growing agritech sector, cementing Telford's position as a hub for precision farming innovations." (pp.51)*

2.49 The strategy anticipates changes in market dynamics, such as the rise in hybrid working,

which is expected to increase demand for local hubs, co-working spaces, and high-quality residential broadband connections. The continued growth in logistics to support e-commerce necessitates a review of how Telford views the distribution and warehouse sectors. Future growth in logistics could provide significant employment opportunities for local residents.

**h) Local Industrial Strategy (2020)**

- 2.50 The Marches LEP draft Local Industrial Strategy<sup>3</sup> was published in April 2020 and sets out key growth opportunities for the LEP area. The Strategy highlights the important economic role played by market towns and rural communities, stating:

*“Market towns and rural communities are home to highly innovative companies in a range of advanced manufacturing supply chains, low carbon food production, and cyber security and defence, building on the area’s long relationship with the Special Forces. Local agencies and the NHS are working together, with local residents, to pioneer new approaches to health and social care in dispersed rural communities.”*  
(p.4)

- 2.51 The Strategy also recognises the significance of Ni.PARK in developing the agri-tech and engineering sectors, stating:

*“Market towns in the Marches are employment centres and visitor destinations with a strong sense of community and heritage, and diverse economies and businesses. These towns have distinctive sectoral strengths and specialisms, reflecting major growth opportunities: Bridgnorth, Leominster and the cluster of towns around Telford have long-standing manufacturing and engineering strengths. Firms based in Ludlow and Newport and the new Ni.PARK are at the forefront of agri-tech and precision engineering. Food production and processing is a major Marches specialism, with concentrations in Oswestry, Ludlow and Ledbury. Strengths in cyber reach east from Hereford towards Malvern with cyber firms also based in Ledbury.”* (p.7)

- 2.52 The agri-tech sector is identified as a key growth opportunity for the LEP area as part of “securing the future food supply chain and achieving modern and environmentally sustainable production, packaging and distribution through agri-tech innovation” (p.6).

**i) Strategic Economic Plan (2019)**

- 2.53 The Marches LEP Strategic Economic Plan<sup>4</sup> was published in 2019 and sets out the LEP’s vision and objectives for growing the economy and creating 58,700 new jobs in the LEP area by 2038. Whilst the LEP has comparatively high levels of employment compared to the national average, the levels of productivity are lower. One of the LEP’s aims is therefore to attract higher value jobs by enhancing skills and connectivity, including by developing transport and supply chain links to neighbouring economies.

- 2.54 Advanced manufacturing, business & professional services, and food & drink are identified as core economic sectors within the LEP area. Whilst environmental technology, cyber security & resilience, agri-tech and innovative health & social care are identified as emerging sectors.

**j) Local Growth Deal**

- 2.55 The Marches LEP was awarded a total of £104.9 million through the Local Growth Fund between 2014 and 2017. £7.36m of this funding was used to support the Newport Innovation

<sup>3</sup> <https://www.marcheslep.org.uk/wp-content/uploads/2021/01/The-Marches-Local-Industrial-Strategy-Final-version-April-2020-09.04.20.pdf>

<sup>4</sup> <https://www.marcheslep.org.uk/wp-content/uploads/2021/01/The-Marches-LEP-Strategic-Economic-Plan-2019.pdf>

and Enterprise Package, including development of Ni.PARK<sup>5</sup>. It was estimated that the package would facilitate provision of high-tech business start-up and incubation space, training and higher level skills development, and collaboration between local businesses and Higher Education. It was also anticipated that the package would kickstart delivery of more than 1,000 new homes in the Newport area<sup>6</sup>.

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<sup>5</sup> <https://www.marcheslep.org.uk/projects/newport-innovation-and-enterprise-package-ni-park/>

<sup>6</sup>

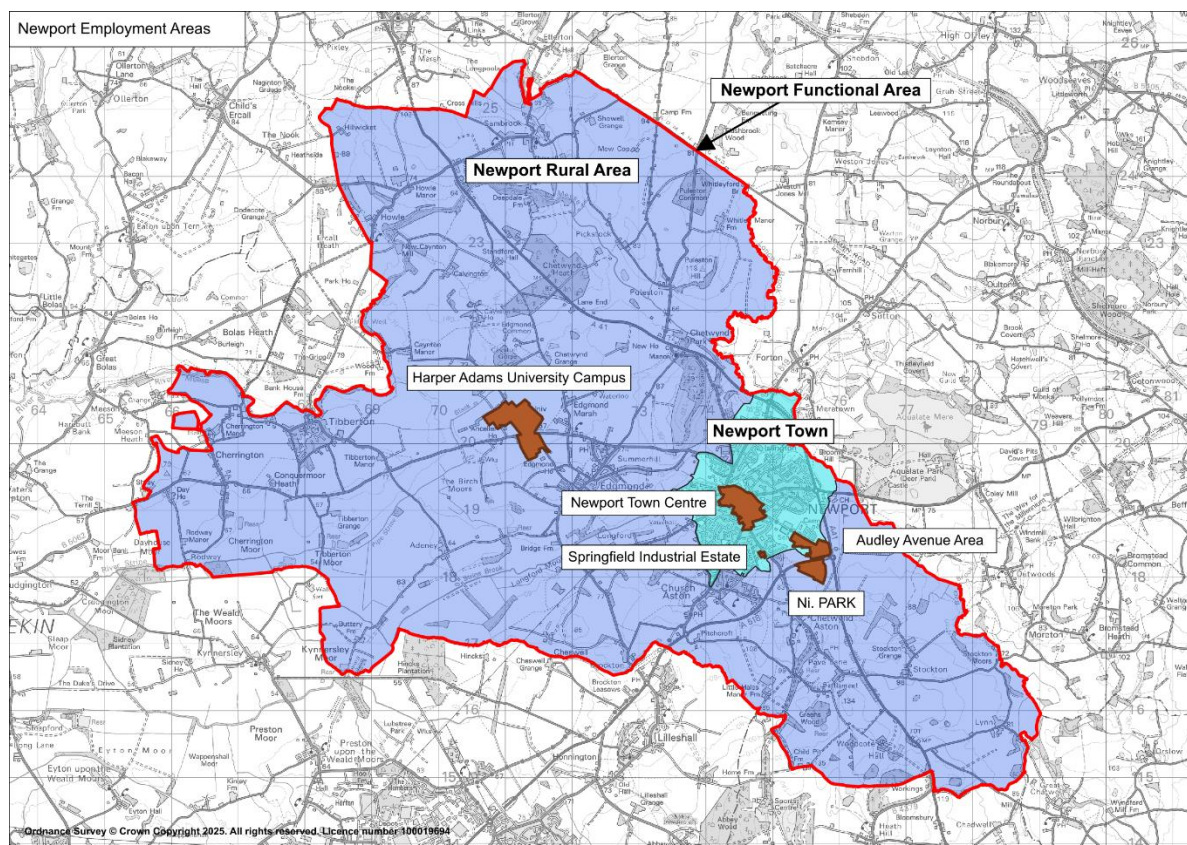
[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/597933/The\\_Marches\\_Factsheet.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/597933/The_Marches_Factsheet.pdf)



### 3.0 CHARACTERISTICS OF EMPLOYMENT LAND AND SUPPLY

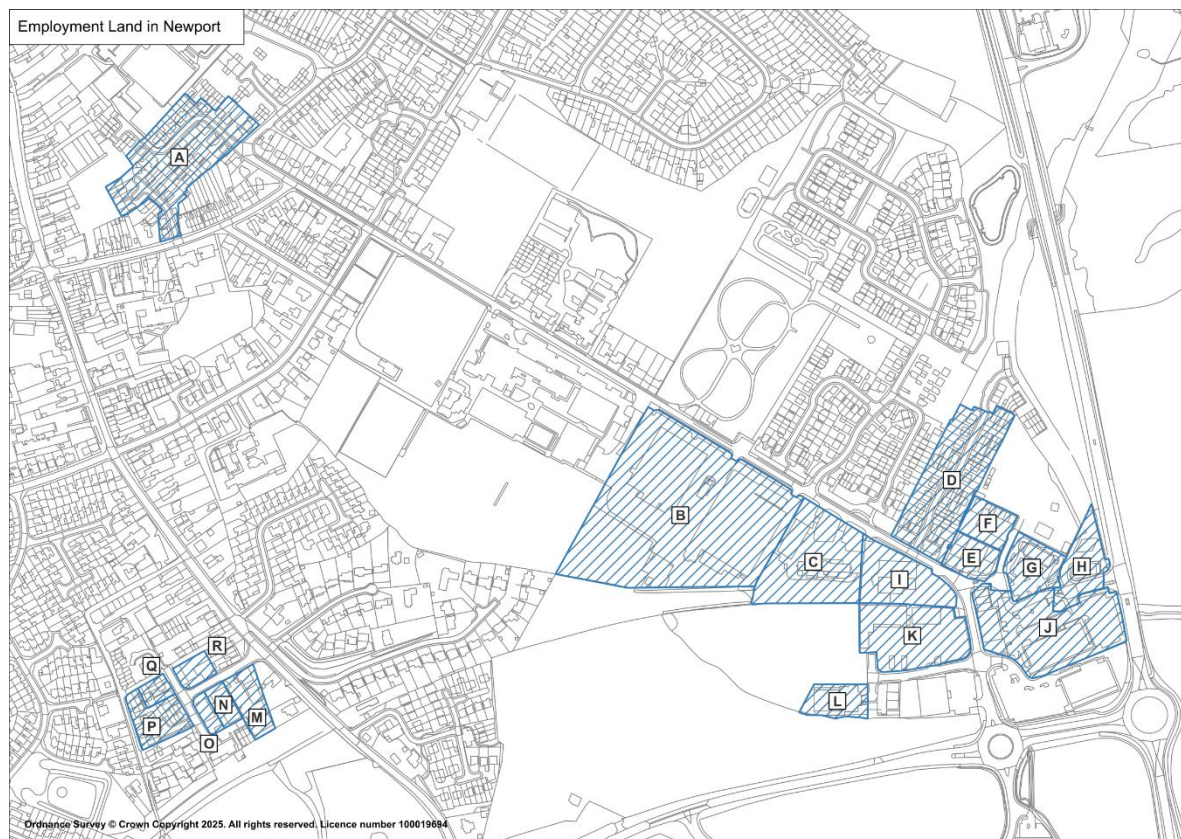
- 3.1 This section sets out the characteristics of the current supply of employment land and floorspace in the Newport sub-area, based on site visits (undertaken in June 2023), desk-based analysis of planning applications and previous employment land studies, and interviews with key local stakeholders including officers at Telford & Wrekin Council, Invest Telford, The Marches LEP and Harper Adams University.
- 3.2 Whilst the majority of employment land and floorspace in the authority area continues to be focused within and around Telford, the Newport sub-area has in recent years contributed towards a gradual diversification of employment away from lower value manufacturing towards higher value agri-tech and advanced manufacturing sectors. This growth has been mainly focused around Harper Adams University and the development of Ni.PARK (Newport Innovation Park), which is now partially built-out and occupied. The Newport sub-area also has clusters of more established, traditional employment areas such as those to the south-east of the town (Audley Avenue area and Springfield Industrial Estate), as well as smaller office units in the town centre and High Street.
- 3.3 Across the sub-area, current employment land provision is primarily focused within the following sites and areas, as shown on Figure 3:
- Audley Avenue area
  - Ni.PARK
  - Springfield Industrial Estate
  - Newport Town Centre
  - Harper Adams University Campus

**Figure 3 Newport Employment Areas**



- 3.4 The characteristics of each of these identified employment areas are discussed in turn below. Where relevant, we have provided an update on the land-use and occupancy status of the areas previously identified in the PBA study (2013) as identified in Figure 4.

**Figure 4 Employment Land in Newport**

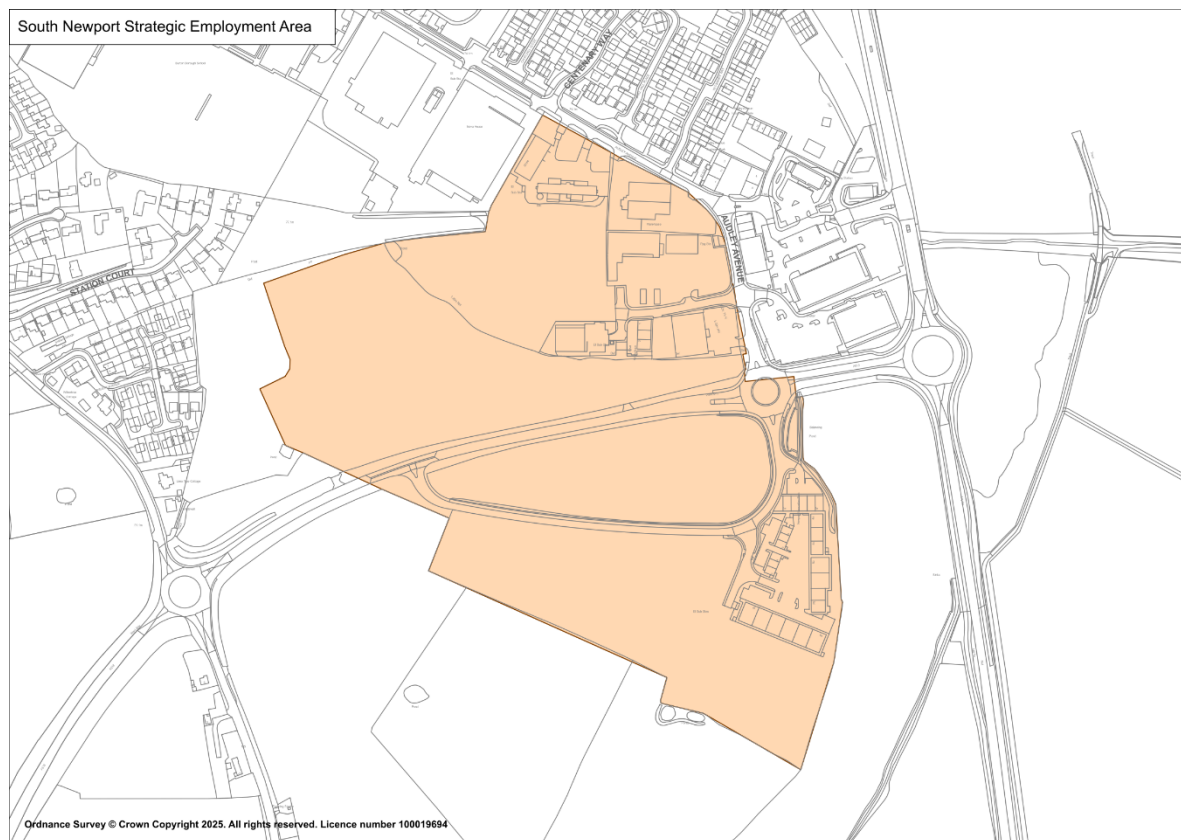


Source: SPRU (reproduced from PBA Study 2013)

- 3.5 Before considering the abovementioned existing employment areas in more detail it is relevant to consider the wider context of the Newport Strategic Employment Area (SEA) designated under the current development plan. The characteristics of developed and undeveloped land within the SEA are relevant to understanding potential contributions towards future supply and potential expectations for the reconfiguration of existing land and floorspace that informed the evidence base for the current development plan.
- a) **Undeveloped Land Within the Newport Strategic Employment Area**
- 3.6 The **South Newport SEA** extends to the north and south of the A518, as shown in Figure 2 below. Land South of the A518 comprises the allocation of the Newport Innovation Park (site E27) and is considered separately.



**Figure 5 South Newport SEA**



Source: SPRU / Telford & Wrekin Council

- 3.7 The effect of the conclusions of the 2013 Study is to exclude from further consideration both the potential contribution that land within the remainder of the SEA could make towards the supply pipeline and the net implications for future demand that could be accounted for if reconfiguration of existing sites within the SEA boundary resulted in an overall loss of land and floorspace. Changes anticipated at the time of preparing the 2013 Study were that these changes could result in an overall net loss of -2.05ha of land comprising:
- Provision of 4.5 hectares (gross) new land and floorspace
  - -3.5 hectares gross losses from demolition of Audley Enterprise Park
  - -3.05 hectares of pre-existing allocated employment land proposed for residential development.
- 3.8 The relevant starting point for this Study, however, is the point that adopted policy does not set out a position on the background summarised above (and in more detail in the 2013 Study). As such the policy position is unspecified in either qualitative or quantitative terms as to how the remainder of undeveloped land within the SEA might maximise future contributions towards employment land supply (in effect a net-nil position of change).
- 3.9 The northern section of the SEA currently predominantly comprises development for a mixture of employment and retail uses, the majority of which was pre-existing at the time of the designation within the current Local Plan but has subsequently generated an element of application activity associated with intensification, partial redevelopment and change of use or redevelopment. The current planning status of land towards the west of the SEA north of the A518 is considered below.
- 3.10 The north western part of the South Newport SEA forms part of an area granted outline

consent in March 2021 for a mixed-use development (known as the 'Station Road development') including up to 350 dwellings, extra care housing and 4.5 hectares of employment land (ref. TWC/2011/0871). The application boundary pursuant to this Outline Planning Permission include 3.05 hectares of land previously designated as the now-deleted allocation Policy E2 from the 2000 Local Plan.

- 3.11 The western part of this development site now (beyond the western boundary of the SEA) benefits from full planning consent for 301 homes (ref. TWC/2021/0795, granted in May 2022) and an extra care facility containing 70 affordable self-contained apartments (ref. TWC/2021/0796, granted in May 2022).
- 3.12 A further full planning application for 215 homes in the eastern part of the Station Road development site (within the SEA) was submitted in October 2022 (ref. TWC/2022/0854). This application was approved in January 2024. Under the original outline consent, this area of land was previously intended for the delivery of 62 homes and employment uses. However, the applicant has argued in their submission that Newport's employment land needs have already been met:

*"6.4. As identified by the Council's Policy team in the pre-application advice, the Newport Innovation Park ("NI Park") to the south has met the Council's identified employment needs set out in the 2013 Employment Land Need Study which provided the evidence base for the adopted Local Plan. The site is currently undeveloped and notwithstanding the current allocation of the Eastern half of the site under the wider designation of Employment Policy E27, the proposals will not result in the loss of any existing employment land, in a situation where the employment needs of the Plan Period for Newport have already been met.*

*6.6. Whilst part of the Site is identified as employment land, Policy EC1 relating to this land use allocation does not specifically restrict the land from coming forward for alternative uses, simply that it is there to meet the needs of the employment sector should it be required. As noted by the Council's Policy Team in pre-application correspondence, the need for the site as employment land no longer exists because of the development of NI-Park. Having met the need for employment in Newport as identified in the 2013 Study. The 2013 Study did not take into consideration the NI-Park allocation and proposal that has since come forward.*

*6.7. It is concluded that the alternative residential land use is acceptable in principle. The site has been deemed appropriate for development through the extant outline planning permission; the need for the retention of any part of the site for employment use no longer exists. Housing is a complementary alternative use as there is residential development, both existing and proposed, in the immediate vicinity."*

(Application Ref. TWC/2022/0854, Planning Statement, Pegasus Group on behalf of Tilia Homes Limited, September 2022)

- 3.13 Following the approval of these proposals in the course of preparation of this Study it is considered reasonable that the delivery of new land and floorspace and reconfiguration of existing employment premises (including the Audley Enterprise Park) associated with the 2011 application is excluded from the analysis of expected changes to the portfolio of employment premises in Newport.
- 3.14 The evidence presented in later sections of this ELNS will assess the current extent of the

Newport SEA and whether additional employment land may be required in Newport to meet the needs identified over the Local Plan Review period (2020-2040), including to replace that previously allocated in the South Newport SEA which it is not now expected will be delivered.

**b) Audley Avenue area**

- 3.15 The largest concentration of existing employment floorspace in the Newport sub-area is located in the Audley Avenue area immediately to the south-east of the town. This area comprises a mixture of older commercial stock and newer B-class units, in addition to retail provision. Some of the older units have now been demolished and replaced with new residential development.
- 3.16 **Area B** shown on Figure 4 is known as Audley Avenue Enterprise Park and comprises two brick warehouses and one large office building (Nova House) which are owned and managed by Telford and Wrekin Council. It is understood that this site totals around 12,637 sqm floorspace (PBA, 2013). The site is currently occupied by a range of businesses including manufacturers, a geological consultancy and a brewery. From discussions with Council officers, it is understood that the workshop within Nova House are higher quality than the offices and floorspace in the adjoining building.
- 3.17 A number of the units are currently vacant<sup>7</sup>, including the following:
- Units 1-3, warehousing and ancillary office space – 3,164 sqm
  - Suite 2, Nova House, office space – 400 sqm
  - Suite 3, Nova House, office space – 253 sqm
- 3.18 From discussions with Council officers, it is understood that surveys are being undertaken to maximise occupancy of the site, including asking current tenants if they require units splitting in order to enhance affordability.



- 3.19 It should be noted that this site forms part of the larger Station Road development site which extends to 23.9ha to the south and east of Station Road. The site was granted outline planning consent in March 2021 (ref. TWC/2011/0871) for a mixed-use development of 350 dwellings, extra care housing, 4.5 ha employment land (Use Classes B1, B2 and B8) and public open space. This permission would involve the demolition of the existing buildings at Audley Avenue Enterprise Park and provision of housing on this part of the site. No reserved matters applications had, at the time of writing, been submitted.
- 3.20 Based on the proposals within application ref TWC/2022/0854 currently pending determination it is not expected that reconfiguration of the Enterprise Park will occur as part of wider mixed-use development within the remainder of the SEA.
- 3.21 **Area C** comprises two large storage silos known as Newport Mills which extend to around

<sup>7</sup> Telford Council Estates and Investments website, September 2023,  
<https://estatesandinvestments.co.uk/land-property-search>



1,340 sqm (PBA, 2013).



- 3.22 **Areas D and E** were previously occupied by Parkland House, a purpose-built office building providing around 930 sqm office floorspace, and a car auction site to the rear. These have now been demolished and the site is occupied by a new housing development (Yeomanry Way). Redevelopment of the site for non-employment was not envisaged at the time of the previous 2013 Study at which point approved proposals were in place for reconfiguration of the site. Outline Planning Permission for 61 dwellings was first approved in 2016 under reference TWC/2016/1152. Further residential development (not delivered upon land most recently in commercial use) adjoins the former Parkland House site to the north-west (TWC/2011/0827 first granted Outline Planning Permission in 2017). This reflects a wider change in the character of the area north of the commercial uses at Audley Avenue.



- 3.23 **Area F** is occupied by Audley Avenue Industrial Estate, containing a mixture of small light industrial/trade counter units, including manufacturing and construction businesses, car repair garages and a taxi company. The eastern part of the Industrial Estate (**Area G**) has recently been redeveloped as a McDonald's.



- 3.24 Immediately south of the existing Audley Avenue Industrial Estate are two larger Class E units occupied by a Mobility Superstore and a veterinary practice.





- 3.25 A number of other retail and café units have been developed in **Areas H and J**, including a Lidl, Poundstretcher, Aldi, Subway, Greggs, and a BP garage including M&S food. This area now has the appearance of a more modern, out-of-town retail park. These units have replaced older manufacturing, warehousing and retail uses that previously occupied the site. Based on changes to the stock of land and floorspace anticipated by the PBA (2013) study, the redevelopment of this area has resulted in the loss of around 2.2 hectares (4,400 sqm) of B class floorspace.



- 3.26 The land south of Audley Avenue (**Areas I, K and L**) contains a number of warehouse units occupied by Rea Valley Tractors, JCB Agriculture, New Holland Agriculture. There are also two larger retail units occupied by Howdens, Screwfix and a kitchen and bathroom showroom. The characteristics of these areas are consistent with the use of Newport's stock of employment land and floorspace for an element of customer-facing retail/'trade counter' uses alongside more conventional employment-generating activities within industrial production or commercial operations.



- 3.27 Since the PBA (2013) study was published, there has been a net loss in the availability of employment floorspace in the Audley Avenue area of Newport, with a number of the older manufacturing and industrial units being replaced with retail or food stores. The area has also become more residential in nature, with a number of new housing developments recently completed or underway. The industrial and office uses that remain in this area are generally of a lower quality, dated stock. The details within application proposals under TWC/2022/0854 seeking an alternative scheme for residential development on the

undeveloped south-western portion of the SEA as an alternative to the 2011 application incorporating 4.5 hectares of employment land indicate that reconfiguration and replacement of some premises such as those at Nova House / Audley Avenue Enterprise Park are no longer likely to occur immediately as part of the Station Road development scheme.

**c) Ni.PARK (Newport Innovation Park)**

- 3.28 Ni.PARK (Newport Innovation Park) is an employment development being delivered on 10 hectares of agricultural land to the south-east of Newport town. The site is located immediately south of the A518 and west of the A41 and was initially brought forward as a High Potential Opportunity (HPO) coordinated by the Department for International Trade. The £10.3m Ni.PARK project was initiated as a collaboration between Telford and Wrekin Council, The Marches LEP and Homes England, and delivered in partnership with Harper Adams University. The scheme was partly funded through the Local Growth Fund (£7.4m) to deliver an agri-tech enterprise and science park with direct links to Harper Adams University's innovation facilities.
- 3.29 Permission was sought by the Telford & Wrekin Council as part landowners of the site listed upon the application form<sup>8</sup>. Responsibility for the delivery and management of Ni-Park (including lettings now that the site is part-development) project is overseen by Invest Telford (previously Enterprise Telford) – who provide inward investment and business support services in Telford.
- 3.30 Details within the extant planning permission correspond to the first prospectus for delivery of the site issued by Enterprise Telford in February 2019. The prospectus outlines advantages to prospective tenants and purchasers associated with the location in Newport (including local labour force characteristics) and the opportunities provided to foster links with Harper Adams University and the growth of the agri-tech sector.
- 3.31 The LEP and Invest Telford both provide reporting on delivery of the project to-date.
- 3.32 In October 2021, the project landed the 'Project of the Year' title in the over £3 million category at the 2021 Civil Engineers Contractors Association (CECA) Midlands awards. Strategic off-site highway improvements (including to the A41 and A518 transport corridors) and sustainable transport measures have been implemented to connect Ni.PARK with Newport town centre and support new housing development.
- 3.33 In relation to the aspirations of the site to support the delivery of 1,000 essential new houses including starter homes in the Newport area it is understood that this is underpinned by the levels of growth provided by the adopted development plan. Estimates for job creation reported via the LEP and Growth Fund award (954 jobs<sup>9</sup>) are understood to correspond to assumptions applied to floorspace provided directly on-site in accordance with the permission sought at typical employment densities.
- 3.34 Outline planning consent for the development of the site was granted in August 2019 (ref. TWC/2018/0568) for up to 34,890 sqm of business, general industrial, warehouse and distribution floorspace (Use Classes B1b, B1c, B2 and B8) split over three phases. This permission also included detailed consent for 24no. starter business units totalling 3,840 sqm floorspace forming the first phase of the Ni.PARK development, with units ranging in size from 66 sqm to 351 sqm available to let<sup>10</sup>. This first phase was completed in 2021. Under this permission, the uses within Phase 1 were restricted to maximum floor areas as follows:

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<sup>8</sup> Telford & Wrekin Council - Estates and Investments together with H Timmis (Farms) Ltd and Xafinity Pension Trustees Ltd

<sup>9</sup> <https://www.marcheslep.org.uk/projects/newport-innovation-and-enterprise-package-ni-park/>

<sup>10</sup> <https://www.enterprise-telford.co.uk/media/1281/nipark-brochure-feb-2019-final.pdf>



- B1b – up to 720 sqm
- B1c – up to 960 sqm
- B2 – up to 960 sqm
- B8 – up to 1200 sqm

3.35 At the time the site was visited in June 2023, the first phase of the development appeared to be around 80% occupied by a range of businesses, with leases managed by Telford and Wrekin Council (through Invest Telford). Phase 1 of the Ni-PARK development is understood to employ around 90 people (according to information submitted with the planning application). Whilst some of the businesses occupying Phase 1 appear to have more obvious and direct links to the agri-tech sector than others, it is understood that the Council applies relatively strict criteria when agreeing tenancies, in order to ensure that the businesses occupying the site are aligned to (or have a desire to be aligned to) the agri-tech sector. For these purposes, the Council defines ‘agri-tech’ as follows<sup>11</sup>:

*“Agri-tech, is a combination of agriculture and technology. It refers to the use of technological innovations in agriculture to increase yield, quality, efficiency, and profitability. While most commonly used in horticulture and agriculture, Agri-tech is also found in forestry, aquaculture and viticulture (cultivation of grapevines).*

*Agri-tech aims to improve farming through information monitoring and analysis of weather, pests, soil and air temperature. Agri-tech also includes the use of automation, such as controlling heaters and irrigation and employing pest control through aerosol pheromone dispersal.*

*Technologies and applications in Agri-tech include the following but basically anything that increases yield, quality, efficiency, and profitability within agriculture :*

- *drones*
- *satellite photography and sensors*
- *IoT-based sensor networks*
- *phase tracking*
- *weather forecasts*
- *automated irrigation*
- *light and heat control*
- *intelligent software analysis for pest and disease prediction, soil management and other involved analytical tasks*
- *Biotech is another type of Agri-tech. For example, Agri-tech company Azotic replaces nitrogen fertilizers with nitrogen-fixing bacteria as a more environmentally-friendly solution.”*

3.36 Stakeholder engagement with Invest Telford as part of preparing this Study has confirmed that the Ni-Park site has generated a regular pattern of enquiries where these criteria are not met. A list as of June 2023 is set out in Table 1 below.

<sup>11</sup> Email from Senior Account Manager, Invest Telford (13<sup>th</sup> July 2023)

**Table 1. Business Enquiries for Non Agri-Tech Uses at Ni-Park**

Business Activity	Number of Enquiries
Gymnastics admin	1 enquiry
Nursery	4 enquiries
Videographer	2 enquiries
Solicitors	2 enquiries
Accountant	3 enquiries
Fitness PT & gym	4 enquiries
Automotive related company	6 enquiries
Education / training provider	2 enquiries
Property investment company	1 enquiry
Caterer / food producer	2 enquiries
PR company	1 enquiry
Recruitment company	1 enquiry

- 3.37 The activities associated with these enquiries represent a mix of uses requiring conventional business (i.e., office and industrial) floorspace and those typically viewed as employment-generating 'Non-B' uses. These correspond to floorspace requirements separate to office and industrial Use Classes but frequently undertaken within and potentially competing for land and floorspace within the conventional portfolio of sites for economic development.
- 3.38 It is understood from speaking with Invest Telford, that if enquiries are made by businesses which do not meet these criteria (around 1 in 4), these are turned down or redirected to other sites within the district, including new units which have recently been developed by Telford Land Deal<sup>12</sup> at Orchard Business Park at Hortonwood, to the north of Telford.
- 3.39 For decision-taking Telford & Wrekin Council requires applicants to provide sufficient evidence of the contribution of proposals to the Agri-tech sector but does not apply specific criteria for the purposes of assessing proposals. It is recognised that there is some scope for diversification of activities being carried out on the site arising from changes to the operation of premises under their existing use.
- 3.40 The second phase of the Ni-PARK development is now being built out. A speculative development comprising further three larger 10,000 sq ft units, was permitted in July 2022 (ref. TWC/2022/0275) (Phase 2, plot 2b). This phase was being finalised at the time the site visits were undertaken and was finally completed in August 2023 but for the purposes of development monitoring was recorded as physically complete in the 2022/23 monitoring year. According to engagement with Council officers, it is not currently envisaged that the Council would look to deliver any further speculative units – any future development would need to be developer-led.
- 3.41 The units delivered in Phase 1 and Phase 2 (plot 2b) have been designed with a focus on sustainability, including electric vehicle charging points, solar panels on the roofs, sustainable drainage systems (SuDS) and ecological enhancements<sup>13</sup>.

<sup>12</sup> Telford Land Deal is a partnership between Telford & Wrekin Council, Homes England and the Marches LEP

<sup>13</sup> <https://www.morrisproperty.co.uk/construction/case-studies/phase-2-ni-park/>



- 3.42 Full planning permission (ref. TWC/2022/0070) was also granted in June 2022 a scheme comprising a further 2no. buildings on the south western part of the Ni-PARK site (Phase 2, plot 1) for workshop, storage, office and agricultural retail use. This land was sold by the Council to the current occupier for a 'design and build' scheme. These buildings were under construction at the time the site visits were undertaken. These buildings provide a total of 1,394 sqm floorspace across B2, B8, E(g) and E(a) uses. It is anticipated that the scheme will employ 15 people, providing an agricultural retail unit and service workshop operated by TR Machinery.



- 3.43 In terms of future developments, Harper Adams University is keen to continue to play a role in attracting businesses to the Ni.PARK site. There are also initial proposals for a new Institute of Animal Diagnostics and Health at the Ni.PARK site which will be developed in conjunction with the University and will act as a catalyst for attracting new businesses to the Newport sub-area<sup>14</sup>. The justification for this proposal has been supported by the Council<sup>15</sup> given the ability to support the growth of the food industry and education through the delivery of 'non-B' employment activities on the site.
- 3.44 The Council appear keen to ensure that Ni.PARK continues to focus on businesses which are within the agri-tech sector, at least on land forming parts of the site that are within the Council's control. It is noted however that the parts of Ni.PARK that lie immediately south of the A518 are in the control of a different landowner, so it is likely that occupiers of future developments in this part of the site will not be subject to the same stringent controls.

#### **d) Springfield Industrial Estate**

- 3.45 Springfield Industrial Estate is a relatively compact, traditional style industrial estate comprising small-medium sized industrial units set within a residential estate off Station Road to the south of the town centre. All units appeared to be occupied and included a range of manufacturing, vehicle repair, and recycling companies.

<sup>14</sup> <https://www.harper-adams.ac.uk/news/210055/new-facilities-highlight-innovation-growth-across-telford-and-wrekin>

<sup>15</sup> Paragraph 4.11a of the adopted 2018 Local Plan refers





**e) Newport Town Centre**

- 3.46 Newport town centre has the feel of a traditional market town, with a range of retail, services and cafes primarily focused along the main High Street. Most units are occupied by small, independent businesses rather than larger, national 'high street' brands. In terms of employment floorspace, the town centre contains some office floorspace, distributed across a range of smaller units including those above shops and other units offering financial and professional services (such as estate agents, solicitors, mortgage brokers etc.) primarily located in older buildings along the High Street. A number of these units were vacant at the time the site visits were undertaken in June 2023.



- 3.47 There is also evidence of a number of units in the town centre having been converted from office to residential use, including under permitted development rights. This includes the former Royal Mail Delivery Office at no.132 High Street which is now in use as student accommodation, together with no.133 and no.135, and Delta House (previously first floor offices, also located on the High Street). Further changes of use from B class employment were also observed, including the change of use from B1 to a children's day nursery (planning permission ref. 2018/04/17) at New Street, just off the High Street.



- 3.48 Beyond the High Street, there are a number of smaller business uses scattered throughout the surrounding residential areas, but these are mostly confined to independent garages or single offices housing individual local businesses. Beyond the immediate town centre boundary there is an established trend of more substantial one-off industrial and storage



premises being redeveloped for either housing or other non-B employment generating uses such as the Newport Climbing Centre at the Malthouse buildings.

- 3.49 The site identified as **Area A** in Figure 4, situated to the rear of the Waitrose store, has now been redeveloped for housing. According to the PBA (2013) study, this area was previously occupied by a range of employment and retail uses including carpet showrooms, trade counter space, a concrete works and 250 sqm of light industrial floorspace.

**f) Harper Adams University Campus**

- 3.50 Telford & Wrekin is home to the Harper Adams University which is the town's largest employer and is attended by 2,500 students (around 900 of whom live on campus). The relationship between Harper Adams University and the provision for economic development within the Study Area was not assessed in detail by the 2013 PBA Study and this ELNS sets out below how these links have strengthened since adoption of the current Local Plan.
- 3.51 The institution is renowned for its education and research on sustainable food chains, agri-tech and rural economy. The University Campus sits outside of the main Newport urban area, being located around 2.5 miles north west of the town centre, but forms part of the functional economic geography for the purposes of this study.
- 3.52 The University campus itself is fairly compact but split across two main sites located either side (north and south) of the B5062, which is the main access road from Newport town and the A41 to the east. By virtue of the University's specialisms, the campus feels quite rural and agricultural in nature, with a mixture of older, low-rise brick-built buildings and newer facilities reflecting more contemporary design.
- 3.53 In terms of employment floorspace, the Agri-EPI Centre is situated at the Harper Adams University Campus and includes the Midlands Dairy Research Centre (developed as a collaboration between the University and Saputo Dairy UK, formerly Dairy Crest) and the Midlands Agri-tech Innovation Hub. The latter of these provides flexible office and workshop space aimed at start-up businesses and entrepreneurs in the agri-tech sector. It is understood there are no plans to expand this facility on campus in the near future.



- 3.54 The University is looking to further expand its links with regional and national businesses in this sector through the development of a new Institute of Animal Diagnostics and Health which is proposed to be located at Ni.PARK. Whilst the details of the facility have yet to be confirmed, a key purpose of the facility will be to engage and broaden the University's relationships with relevant agri-tech businesses and industry bodies, benefiting these organisations both as a specialist animal health diagnostic facility but also as a space to convene to explore matters of mutual interest, development, CPD and training. The University also has plans to develop a teaching and learning centre in the Station Quarter area of Telford<sup>16</sup>.
- 3.55 The University is also in the process of developing the wider vision for its strategic campus

<sup>16</sup> <https://www.bbc.co.uk/news/uk-england-shropshire-66455916>

masterplan which will support the recently launched University Strategy<sup>17</sup> and further develop its strategic capital delivery plan. As set out in its Strategy, by 2030 the University seeks to become “an internationally recognised university for food production and technology, animal health and wellbeing, and their contribution to sustainable, living environments for our planet’s inhabitants”. The University also aims to attract more overseas students to its campus and develop its learning and teaching in other physical (and virtual) hubs to enable more flexible learning. The Strategy also sets out ambitions to expand collaboration with industry partners in education, research and work. In respect of the University’s engagement with the local community, the Strategy states:

*“Our activities have been predominantly located on or connected to our campus in Shropshire where we are a part of a wider community which is integral to our impact and success. We are critical to the identity, prosperity and well-being of our local area and we have to further develop our role and identity as a civic-oriented university. We must do more to reduce the invisible boundaries around our campus and engage with the people and organisations of Edgmond and Newport, Telford, Shropshire and the wider West Midlands region to identify areas of common interest and achieve goals of mutual benefit. We must demonstrate the ability of our campus to be a destination for events and opportunities for engagement and community impact. We must also be willing to take our education, research and impact activities away from the campus to broaden and deepen our community engagement and impact.”*

- 3.56 The Strategy seeks to enhance the University’s engagement in regional and local projects and developments.

**g) Other Observations**

- 3.57 The PBA (2013) study noted the prominence of the food processing sector in Newport, as represented by companies such as Edgmond Food and Saputo (Dairy Crest). Since the 2013 study was published, the Dairy Crest factory at Crudington, west of Newport, has closed, although it’s understood that the company still has a presence at the Dairy Research Centre located on the Harper Adams University campus.

**h) Vacant Stock and Recent Market Activity**

- 3.58 On 15/5/24, a search was performed across multiple online platforms, such as Prime Location and Sqwire, to examine recent job vacancies in Newport. The aim was to determine the extent of unoccupied floor space within the area. While the Valuation Office Agency (VOA) provides data on employment floor space at the authority level, detailed information at a more localized scale is not accessible. This information is presented in Table 2 below.

**Table 2. Vacancies in Employment Space, Newport 15/05/2024**

Address	Floorspace (sqm)	Agent	Type
1A NI Park, Newport, TF10 7BX	109	Halls Commercial	Industrial
1B NI Park, Newport, TF10 7BX	109	Halls Commercial	Industrial
1C NI Park, Newport, TF10 7BX	109	Halls Commercial	Industrial
35B&C High Street, Newport, TF10 7AT	73.2	Tempertons	Office
3A NI Park, Newport, TF10 7BX	66	Halls Commercial	Industrial
3B NI Park, Newport, TF10 7BX	67	Halls Commercial	Industrial
3C NI Park, Newport, TF10 7BX	66	Halls Commercial	Industrial
4B NI Park, Newport, TF10 7BX	151	Halls Commercial	Industrial

<sup>17</sup> <https://www.harper-adams.ac.uk/about/803/our-2030-vision>

Address	Floorspace (sqm)	Agent	Type
5A NI Park, Newport, TF10 7BX	260	Halls Commercial	Industrial
5C NI Park, Newport, TF10 7BX	156	Halls Commercial	Industrial
7 NI Park, Newport, TF10 7BX	929	Loop Net	Industrial
8 NI Park, Newport, TF10 7BX	929	Loop Net	Industrial
9 NI Park, Newport, TF10 7BX	929	Loop Net	Industrial
Suite 2 Nova House Audley Avenue Enterprise Park, Audley Avenue, Newport, Shropshire, TF10 7DW	400	Telford & Wrekin Council	Office
Unit 1 Charles Holland Street, Willenhall	46.8	Sandringham Investments Property Group	Industrial
Unit 4b Charles Holland Street, Willenhall	275	Sandringham Investments Property Group	Industrial
Unit 5 Charles Holland Street, Willenhall	69.4	Sandringham Investments Property Group	Industrial
Unit 5a Charles Holland Street, Willenhall	52	Sandringham Investments Property Group	Industrial
Unit 5b Charles Holland Street, Willenhall	73.9	Sandringham Investments Property Group	Industrial
Unit 6 Charles Holland Street, Willenhall	83.7	Sandringham Investments Property Group	Industrial
Unit 7, Abbey Court, High Street, Newport, Shropshire.TF10 7BW	27.8	Tempertons	Office

3.59 The findings are summarized as follows in Table 3

**Table 3. Distribution of vacant floorspace**

Floorspace Type	Vacant Floorspace (sqm)
Office Space	266.6
Industrial Space	4715.2

3.60 The greater amount of industrial space can be attributed to the recent delivery of large industrial units as part of Phase Two of NI Park. This provides one potential indicator that recent completions of employment land and floorspace in the Study Area are providing more scope for flexibility and churn the property market. However, the current snapshot should be regarded as a point in time and potentially short-term function of delivery.

3.61 Comparing information in Table 3 and Table 25 the advertised floorspace continues to indicate a relatively limited availability relative to total stock (approximately 3.3% for offices and 12.7% for industrial premises, albeit the VOA measure of total stock is unlikely to capture all recent completions at Ni-Park nor the total stock of floorspace below thresholds for rateable value.

## **4.0 SOCIO-DEMOGRAPHIC CHARACTERISTICS AND EMPLOYMENT PROFILE**

- 4.1 This section looks in more detail at the social, demographic and economic characteristics of the study area relevant to the assessment of future needs for economic development. This utilises a range of secondary sources to consider the area's economic structure and details of the residential population and local workforce in terms of trends in labour supply and demand.
- 4.2 This includes an analysis of travel-to-work patterns amongst both the resident-based and workplace-based population in Newport. Reflecting the passage of time since the evidence base for economic development was last updated together with the availability of new information and changes to the local and national policy this ELNS provides greater detail on the social and economic context for the assessment.
- 4.3 This is to ensure that recent trends, and the background to the position of existing development plan policy making provision for economic development in Newport, are given sufficient consideration as one potential input to the assessment of future needs i.e., what policy interventions might be considered desirable to sustain or change existing conditions and expected future changes resulting from these.
- 4.4 The analysis presented in this section is based on the definition of the sub-area considered within the Study set out in Section 1. The socio-economic context is therefore not presented in a manner that is directly comparable to earlier studies in terms of the applicable geography. While it is not disputed that Newport's role in the settlement hierarchy and location at the edge of the Telford & Wrekin administrative area means that it serves a wider rural hinterland and serves a functional geography extending beyond the borough there are several reasons why this does not provide a necessary starting point to inform the context for assessing future needs for economic development:
- i. Current national planning practice guidance supporting the definition of Functional Economic Market Areas (FEMAs) has been substantially revised since the publication of earlier evidence (ID: ID: 61-019-20190315). The findings of the Telford & Wrekin Part 1 EHDNA reflect the application of this guidance and confirms it would be reasonable to conclude that the FEMA is a 'best fit' to the Telford & Wrekin Borough boundary. None of the evidence considered as part of making this assessment, such as public transport links or Travel to Work Area (TTWA) definitions strongly support any extension of the FEMA boundary into Stafford or South Staffordshire nearest to Newport. This is also consistent with the FEMA definitions provided by these neighbouring authorities.
  - ii. Aligned to the abovementioned FEMA definition Newport (and the borough as a whole) is designated as part of the Marches Local Enterprise Partnership area for the purposes of funding decisions and initiatives to support investment and infrastructure delivery. Those areas that form part of Newport's functional geography but are located within either Stafford or South Staffordshire for administrative purposes form part of different LEP areas.
  - iii. As such there is the potential for double-counting needs that are being assessed and provided for separately by neighbouring authorities if Newport's functional geography beyond its administrative boundaries is considered as part of the town's socio-economic context or applied to the overall methodology for assessing future needs.
  - iv. Under the Duty to Cooperate there has been no previous indication that the two adjoining authorities most closely associated with Newport's functional geography (Stafford and South Staffordshire) have made requests to Telford & Wrekin Council to accommodate unmet needs for housing or employment land and



Telford & Wrekin has likewise not made any reverse requests

- v. Separately the previously defined functional geography Newport extending beyond its administrative boundaries is substantially rural in character and contains other few centres of population or concentrations of economic development. There is very limited built development east of the A41 to influence Newport's role directly. This is in contrast to the town's hinterland to the south and west. This includes, more significantly, the Harper Adams University Campus and extensions beyond the main built-up area towards Church Aston in addition to the expectation that Newport's role influences a number of outlying rural settlements between here and Telford itself.

- 4.5 This study does not seek to provide sub-area definitions of needs for economic development within the wider authority. It also does not necessarily follow that the recommendation for Newport will be directly proportional to a pro-rata share of the town's needs (relative to say current population or employment totals). It is nevertheless the case that the use of a sub-area defined using the existing administrative geography means resulting can be most appropriately interpreted in the context of the Council's overall evidence base.

**a) Housing Growth in the Sub-Area**

- 4.6 Newport (together with Wellington) is identified as a Market Town with the settlement hierarchy for the adopted Telford & Wrekin Local Plan. The Plan supports the provision of approximately 1,330 for the period 2011-2031 as part of the strategy for the settlement set out in Policy SP2. Paragraph 3.2.2.3 acknowledges that a large proportion of this total was identified through schemes already approved upon adoption of the Plan. Since 2011 the town has therefore been subject to increased levels of residential development relative to past trends.
- 4.7 The previous evidence base for the town reflected correspondingly lower levels of residential development comprising around 310 units for the period 2001/2-2011/2 and only 930 units for a 20-year horizon since 1991/92.
- 4.8 Within the Council's definition of the main Newport sub-area for the settlement the Council's monitoring records show the following details for approximately 1,040 completions in the period to 31 March 2022.
- 4.9 Based on the Council's monitoring records for the Edmond and Church Aston and Lilleshall Ward boundaries broadly corresponding to the wider functional geography of the town within Telford & Wrekin approximately 290 further completions have been delivered over the same period.
- 4.10 The most recently published Authority Monitoring Report (corresponding to the period 1 April 2021 to 31 March 2022) shows within the Council's defined sub-area for the main Newport urban area a total of 167 dwellings completed, 169 units under construction and a further 525 units on sites with permission (of which 471 are on sites with outline permission). The Council's data therefore clearly indicate expectations for housing delivery to exceed those outlined within the current development plan.
- 4.11 It is understood that the emerging Local Plan will deliver around 1,400 new homes in the Newport area of which around 1,240 already have planning permission or have been completed.

**b) Demographic Characteristics**

- 4.12 Recent development trends have understandably had a relatively pronounced impact upon local population change. The comparative impact of recent demographic change does, however, need to be interpreted in the context of Telford & Wrekin also experience high overall rates of development and population growth over a comparable period.

- 4.13 The main urban area has experienced population growth of around 13% between the Census population estimates for 2011 and 2021. This is marginally lower, at 12%, when the wider functional geography of the town within Telford & Wrekin is considered. This is more than double the rate of population growth recorded in the previous decade. Between the two Census the areas' populations as a proportion of the borough total have remained relatively consistent at 7% and 10% respectively. This has reversed pre-2011 records noted in earlier evidence where the proportion of the total population living in the sub-area was recorded as falling slightly.
- 4.14 Both measures demonstrate that population growth exceeds the borough-wide rate of population growth of around 10%. To illustrate that this is relatively more related to levels of development within the administrative area for Telford & Wrekin it is useful to note that the percentage population change recorded in the wider functional geography for the previous 2006/2013 evidence bases between 2011 and 2021 is lower at 10%.
- 4.15 Table 4 below illustrates the local population profile by broad age group, and a comparison with the borough as a whole. The local population retains a higher concentration of residents aged 65+ and a comparatively lower proportion of residents within the core working ages of 25-64.

**Table 4. Local population profile by broad age group, at a local and borough wide level**

	Newport Town		Newport Functional Area		Telford & Wrekin	
	Total Population	% of Total	Total Population	% of Total	Total Population	% of Total
0-14	2,095	16%	2,813	15%	34,573	19%
15-19	788	6%	1,372	7%	10,893	6%
20-24	1,165	9%	1,675	9%	10,971	6%
25-34	1,267	10%	1,620	9%	24,530	13%
35-49	2,213	17%	3,007	16%	35,391	19%
50-64	2,501	19%	3,637	20%	36,466	20%
65+	3,026	23%	4,348	24%	32,718	18%
Total	13,055	100%	18,472	100%	185,542	100%

Source: 2021 Census; SPRU Analysis

- 4.16 Table 5 shows that these differences in demographic characteristics have generally reduced as part of the population change recorded during the last decade.
- 4.17 Newport has experienced a higher overall rate of population growth, and higher rates amongst those aged 65+ as the existing older age structure of the population has aged 'in-situ'. Set against this the sub-area has also recorded substantially higher rates of growth amongst children aged under 15 and adults aged 25-34, together with a generally stable population aged 35-49 to compensate for ageing amongst the existing population. Rates of population change exceed those within Telford & Wrekin and are a marked difference to trends in data for the West Midlands Region.

**Table 5. Change in local population profile by broad age group, at a local and borough wide level 2011-2021**

	Newport Town		Newport Functional		T&W		West Midlands
	Change 2011-2021	% Change	Change 2011-2021	% Change	Change 2011-2021	% Change	% Change 2011-21
0-14	348	20%	403	17%	2,628	8%	5%
15-19	-16	-2%	-164	-11%	-603	-5%	-3%
20-24	51	5%	68	4%	108	1%	-5%
25-34	180	17%	235	17%	3,308	16%	9%
35-49	-78	-3%	-183	-6%	-1,257	-3%	-5%
50-64	189	8%	355	11%	6,088	20%	14%
65+	845	39%	1,227	39%	8,629	36%	18%
Total	1,519	13%	1,941	12%	18,901	11%	6%

Source: 2011 Census; 2021 Census; SPRU Analysis

- 4.18 The locally pronounced reduction in the Newport functional area for the population aged 15-19 in 2021 (-11%) is likely to be a function of the pandemic given the location of the Harper Adams University campus in this part of the study area and the reduction in resident students in 2021.
- 4.19 The relative concentration of the populations in the age groups 0-14, 25-34 and 35-49 remain below the distribution of population by age in the borough as a whole (location quotients of 0.86, 0.73 and 0.89 respectively). Given recent demographic trends there is scope for these proportions to equalise further as part of future population change during the plan period, which is likely to depend on future patterns of housing growth.
- c) Characteristics of the Resident Workforce**
- 4.20 Before assessing the potential links between population change and employment in the study area, including the characteristics of those living and working locally, it is important to understand changing trends in the overall residence-based workforce. Analysis under these criteria can be more readily compared between the 2011 and 2021 Censuses based on data available at the time of the Study. Workplace-based population data cannot yet be compared pending release of the 2021 dataset.
- 4.21 The increase in usual residents in employment in the week before the respective Census dates in 2011 and 2021 within the study area is substantially below the increase in the resident population. The data for 2021 record all usual residents aged 16+, whereas those for 2011 record usual residents in employment aged 16-74. The two series cannot be compared directly although the number of employed persons aged 75 and over is likely to be relatively small in terms of the actual totals.
- 4.22 To account for this, Table 6 compares the estimate of usual residents in employment against the total population aged 16+ for both 2011 and 2021.

**Table 6. Usual residents in employment against the total population aged 16+ (2011-2021)**

	Telford & Wrekin	Newport Functional Area	Newport Town
Persons Aged 16-74 and in employment (2011)	78,372	8,254	5,440
% of Total Population Aged 16+	59%	55%	57%
Persons Aged 16+ and in employment (2021)	85,492	8,605	5,789
% of Total Population Aged 16+	65%	52%	60%
Change 2021 versus 2011	7,120	351	349

Source: 2011 Census; 2021 Census; SPRU Analysis

- 4.23 The percentage change for the functional study area and Newport town correspond to rates of 4% and 6% respectively, compared to 9% in the borough as a whole. Almost all of this net change has arisen in the main Newport urban area. Both Telford & Wrekin overall and Newport have seen the estimate of usual residents in employment increase as a proportion of total persons aged 16+. This reflects strong overall trends in employment and population growth in both areas. The wider functional area represents a departure from this trend, where the proportion has reduced from 55% to 52%.
- 4.24 The age structure of the population and the relative impact of ageing over the last decade is likely to be a substantial part of the explanation for the relatively lesser growth in the residence-based workforce in the study area. Other factors are likely to include the differential effects of reductions in economic activity rates recorded as a result of the pandemic, both in terms of residential geography and generally concentrated amongst older working-age groups.
- 4.25 It should be noted that the overall difference between the 2011 and 2021 Censuses with regards the residence-based workforce is a net change and will not fully reflect the extent of the absolute increase in the population amongst younger age groups (where rates of economic activity might be greater and reflect changing characteristics of employment by industry).
- 4.26 Table 7 below summarises the overall profile of the resident workforce by grouped industrial classification. This has remained relatively consistent over the last decade, with the main net gains amongst the industries providing employment to the resident population being those where there was a pre-existing higher concentration relative to representation across the borough. This has generally served to accentuate differences in the characteristics of the employment profile for the resident population including within the Construction, Health/Education and Professional Services sectors.



**Table 7. Profile of the resident workforce (industrial)**

	Newport (functional area)		LQ vs T&W	
	2011	2021	2011	2021
Total: All usual residents aged 16 years and over in employment the week before the census	8,287	8,605		
A, B, D, E Agriculture, energy and water	405	376	1.88	1.70
C Manufacturing	965	829	0.69	0.68
F Construction	547	729	1.04	1.07
G, I Distribution, hotels and restaurants	1,572	1,564	0.88	0.93
H, J Transport and communication	592	628	0.86	0.82
K, L, M, N Financial, Real Estate, Professional and Administrative activities	1,034	1,177	1.04	1.05
O, P, Q Public administration, education and health	2,785	2,933	1.18	1.13
R, S, T, U Other	387	369	1.17	1.19

Source: 2011 Census; 2021 Census; SPRU Analysis

- 4.27 Table 8 below provides a summary of those industrial categories where employment has changed by more than +/- 50 persons and where local employment exceeds more than 200 persons. Within most industrial categories change in residence-based employment mirrors borough-wide trends and corresponds to the transition between different sectors of the economy over the last decade such as the contraction in manufacturing. As a result of the characteristics of this transition it is the case that net increases in the employment of residents by industry have been focused on those sectors where there was already an above average local concentration of residents in employment – again including Construction and Professional Services.

**Table 8. Summary of Industrial Categories with Significant Employment Changes and Local Concentration**

Industry	Telford & Wrekin		Newport Functional Area		
	Change 2021 vs 2011	% Change	Change 2021 vs 2011	% Change	LQ vs Telford & Wrekin
A: Agriculture, Forestry and fishing	92	13%	-54	-18%	3.0
C: Manufacturing	-1080	-8%	-134	-14%	0.7
F: Construction	1795	36%	186	34%	1.1

G: Wholesale and retail trade; repair of motor vehicles and motorcycles	22	0%	53	5%	0.9
I: Accommodation and food service activities	-111	-3%	-56	-14%	0.9
M: Professional, scientific and technical activities	479	17%	60	15%	1.4
N: Administrative and support service activities	1026	29%	71	24%	0.8
P: Education	317	4%	-69	-6%	1.4
Q: Human health and social work activities	3188	37%	222	24%	1.0
Total: All usual residents aged 16 years and over in employment the week before the census	7120	9%	351	4%	

Source: 2011 Census; 2021 Census; SPRU Analysis

- 4.28 In terms of change within the resident-based workforce by industry this also represents an overall net change and will at least in part represent changing characteristics of employment by age as the population ages. As such, a relatively stable position overall may mask more substantial differences in terms of the employment profile within different industries both in terms of the age structure or a change in the nature of activities to offset losses that would be expected as the population ages.
- 4.29 While the change in the characteristics of residents in employment is a potentially relevant indicator of future demand for economic development this must be considered in the context of historically low levels of self-containment for those who live and work locally.
- 4.30 Comparing the residence-based and workplace populations for the sub-area by grouping of industrial categories in 2011 indicates similar categories for proportionally higher concentrations of activity. This is shown in Table 9 below.

**Table 9. Comparative Analysis of Residence-Based and Workplace Populations by Industrial Categories in Newport Sub-Area (2011)**

2011	Newport (Functional Area) Resident Workers			Newport (Functional Area) Workplace Population		
	Total	LQ vs TW	LQ - TTW distance under 10km	Total	LQ vs TW	LQ - TTW distance under 10km
All categories: Industry	8,287		0.58	6,123		0.70
A, B, D, E Agriculture, energy and water	405	1.88	0.52	285	2.16	0.49
C Manufacturing	965	0.69	0.54	527	0.47	0.54
F Construction	547	1.04	0.55	434	1.19	0.51
G, I Distribution, hotels and restaurants	1,572	0.88	0.67	1,365	1.07	0.79
H, J Transport and communication	592	0.86	0.30	249	0.44	0.40
K, L, M, N Financial, Real Estate, Professional and Administrative activities	1,034	1.04	0.45	922	1.21	0.46
O, P, Q Public administration, education and health	2,785	1.18	0.67	2,027	1.22	0.85
R, S, T, U Other	387	1.17	0.76	314	1.36	0.85

Source: 2011 Census; 2021 Census; SPRU Analysis

- 4.31 These data illustrate that it does not automatically follow that these similar overall characteristics will necessarily translate into a higher proportion of residents living and working locally within those industries. Due to its geography the sub-area experience *de facto* limitations on the proportion of flows (within that industrial group) generating travel to work distances under 10km.
- 4.32 Even where the concentration of resident workers is highest it is not the case that the proportion of trips within those industries under 10km will be greater. This indicates potential competition for jobs within the sub-area limiting opportunities for those who live locally and also potential mismatches between more detailed characteristics of labour supply and demand. This particularly appears to apply to the Professional Services and Construction industrial groupings based on 2011 data.
- 4.33 Higher proportions of workplace-based trips under 10km can be identified in Health and Education (which may represent the established characteristics of these sectors and resultant relocation of the workforce) and Distribution/Hospitality which is more likely to reflect the specific characteristics and geographically narrower profile of the labour market for these activities.
- 4.34 The comparability of Census data for 2011 and 2021 contains a health warning due to the effects of the pandemic upon home working. The residence-based measure of employment can, however, be assessed in more detail in terms of distances travelled to work as one potential measure of any significant change in the employment characteristics of residents in the sub-area. This does not provide a direct substitute for the characteristics of the workplace population (including the proportion drawn from those living locally) but is the only available data to indicate change over the last decade.
- 4.35 With these caveats in place Table 10 illustrates the breakdown of distances travelled to work by usual residents in the sub-area in employment in both 2011 and 2021. The majority of residence-workplace trips from Newport correspond to a distance of 5-30km, which is reflective of Telford providing the main employment centre.

**Table 10. Breakdown of Distances Travelled to Work by Usual Residents in the Newport Sub-Area (2011 and 2021)**

	Newport (town)	Newport (Functional Area)	Telford & Wrekin
2011	5440	8254	78372
0-5km	24%	21%	41%
5-30 km	52%	50%	35%
30km+	9%	11%	10%
Works mainly from home	9%	12%	8%
Other	7%	7%	6%
2021	5785	8599	85497
0-5km	15%	12%	30%
5-30 km	39%	38%	28%
30km+	6%	7%	6%
Works mainly from home	28%	31%	24%
Other	12%	12%	13%

Source: 2011 Census; 2021 Census; SPRU Analysis

- 4.36 As of 2011 the sub-area also recorded levels of home-working that exceeded borough

average, with comparable levels of long-distance commuting beyond 30km.

- 4.37 The data for 2021 for both Telford & Wrekin and the sub-area reflect similar impacts (in terms of percentage point changes) for recorded levels of home-working and 'other' travel to work characteristics. In absolute terms this would suggest a reduction of around -440 usual residents working within 0-5km of the study area (i.e., an approximate figure for self-containment) for Newport Town, and -630 for the wider functional area. This will at least in-part be offset by the impact on home-working.
- 4.38 Set against this there is some indication that this reduction (measured by percentage points) is lower than the equivalent fall for the borough as a whole in terms of those travelling under 5km. Conversely, the proportion of trips between 5-30km has fallen by a greater percentage in the sub-area than the borough as a whole. One potential reason for this is that increased levels of employment in Newport in jobs filled by local residents partly offset the impacts of the pandemic. It is equally the case that the employment characteristics of the usually resident population by industry (irrespective of location) are more associated with residents being able to work from home and thus a greater proportion of usual residents not travelling to the main economic centre of Telford during the pandemic in 2021.
- 4.39 At least in terms of the residence-based measure of the population of the sub-area in employment the Census data also allows a comparison of change between 2011 and 2021 and the characteristics of the employment profile, including the proportion living and working within a smaller radius of 10km which will predominantly reflect the sub-area. These data are not available to show change over time by industry but can be used to illustrate the distinct occupation profile of the sub-area.
- 4.40 Table 11 below shows that the employment profile of the sub-area (defined in this case using the three MSOA boundaries corresponding to Newport and its rural hinterland in the borough) is heavily skewed towards occupational groups 1-4, where the concentration of residents in employment exceeds the borough average. Over the last decade the number of residents in employment has increased in excess of the overall net change (offsetting losses within other groups) and the concentration relative to the borough average has slightly increased.
- 4.41 The proportion of resident workers travelling within 10km for employment within these occupational groups has been compared as a proportion of flows over the same distance for the borough (i.e., taking account that for both geographies the total will be reduced due to effects of the pandemic).
- 4.42 It appears that occupational groups 1-4 do not generate a substantially lower proportion of trips under 10km, and concentrations within professional occupations (group 2) have increased slightly which may indicate a slightly greater containment of employment under this category. In occupational groups 5-9 the relative proportion of trips within 10km has reduced.
- 4.43 This may be a particular effect of the pandemic upon home-working and travel patterns affecting these occupations but equally appears partly associated with an overall net reduction in residents within these occupational groups and may in-part be associated with particular changes in the structure of the local economy.

**Table 11. Employment Profile of the Newport Sub-Area by Occupational Groups (Based on MSOA Boundaries)**

Newport (Functional Area)	2021		Change vs 2011		2021		2011	
	Total	Total - Within 10km	Total	Total - Within 10km	LQ vs TW	LQ vs TW (10km)	LQ vs TW	LQ vs TW (10km)



All Usual Residents in Employment	8,606	2,032	319	-882	0.0	0.5	0.0	0.6
1. Managers, directors and senior officials	1,270	255	264	-10	1.4	0.6	1.3	0.6
2. Professional occupations	1,831	275	291	-78	1.3	0.6	1.3	0.5
3. Associate professional and technical occupations	1,191	162	141	-68	1.1	0.5	1.1	0.5
4. Administrative and secretarial occupations	848	192	-125	-195	1.1	0.6	1.0	0.6
5. Skilled trades occupations	855	175	-48	-105	1.0	0.6	0.9	0.6
6. Caring, leisure and other service occupations	665	234	-65	-164	0.8	0.6	0.9	0.8
7. Sales and customer service occupations	589	223	58	-51	0.9	0.6	0.7	0.7
8. Process, plant and machine operatives	520	165	-33	-54	0.5	0.5	0.6	0.6
9. Elementary occupations	837	351	-164	-157	0.8	0.6	0.9	0.7

Source: 2011 Census; 2021 Census; SPRU Analysis

- 4.44 It should be noted that these data for occupational groups are consistent with the findings by industry when comparing the workplace and resident populations. The workplace population in 2011 (as shown in Table 12 below) illustrates concentrations by occupation, relative to the borough total, that are consistent with the profile of usual residents in employment. It does not necessarily follow that this will result in a higher proportion of residents living and working locally.

**Table 12. Comparison of Workplace and Resident Populations by Occupational Groups in the Newport Sub-Area (2011)**

	Telford & Wrekin		Newport (Functional Area)		LQ vs TW
	Total Workplace Population	% of total	Total Workplace Population	% of total	
All categories: Occupation	83,177		6,123		
1. Managers, directors and senior officials	7,772	9%	732	12%	1.3
2. Professional occupations	12,596	15%	1,064	17%	1.1
3. Associate professional and technical occupations	8,946	11%	628	10%	1.0
4. Administrative and secretarial occupations	9,692	12%	570	9%	0.8
5. Skilled trades occupations	9,789	12%	787	13%	1.1
6. Caring, leisure and other service occupations	7,595	9%	736	12%	1.3

7. Sales and customer service occupations	7,234	9%	501	8%	0.9
8. Process, plant and machine operatives	9,049	11%	320	5%	0.5
9. Elementary occupations	10,504	13%	785	13%	1.0

Source: 2011 Census; 2021 Census; SPRU Analysis

- 4.45 The outputs of the 2011 and 2021 Census indicate that the characteristics of the resident workforce are therefore a relatively poor indicator of assessing future demand for economic development. However, it is clear that the employment profile of the resident population is relatively consistent. In circumstances where the level of local employment is consistent, or provides opportunities for future growth, this would provide some prospect to increase the proportion of residents living and working locally.

#### d) Characteristics of Employment within the Sub-Area

- 4.46 Details of the total workplace population recorded in the Census 2011 include counts for those with no fixed place of work or those working from home. This means at least to an extent they reflect at least in part the residence-based estimates with the same characteristics so for those industries with a greater propensity for not providing a workplace location the relative concentration will be higher under both measures. In terms of assessing demand for land and floorspace for economic development the Census workplace population is therefore a less reliable measure than other workplace-based employment statistics, such as the Business Register Employment Survey. These are also updated annually and provide more detailed characteristics of workplace-based employment by industry.
- 4.47 However, it is only via the residence-based and workplace-based origin-destination data produced in the Census that self-containment within the local labour market can be calculated in terms of the proportion of those who live and work locally.
- 4.48 For the Census 2011 year, where business survey and workplace population details can be compared, excluding those who list working from home or no fixed place of work, these data do produce relatively similar totals and concentrations of employment by industry. This is shown for the functional area in Table 13 below.

**Table 13. Employment by Industry for the Newport Sub-Area (Excluding Home-based and No Fixed Place of Work)**

Industry	Newport (Functional Area)			
	All Workplace-based Population	LQ - All Workplace Pop by Industry	2011 BRES	LQ - All Workplace Pop by Industry
All categories: Industry	4,585		4560	0.0
A Agriculture, forestry and fishing	87	4.5	10	0.2
C Manufacturing	399	0.4	430	0.5
B, D, E Energy and water	19	0.3	10	0.1
F Construction	144	0.8	160	1.1
G, I Distribution, hotels and restaurants	1,162	1.2	1250	1.2
H, J Transport and communication	116	0.3	155	0.4

Industry	Newport (Functional Area)			
	All Workplace-based Population	LQ - All Workplace Pop by Industry	2011 BRES	LQ - All Workplace Pop by Industry
K, L, M, N Financial, Real Estate, Professional and Administrative activities	633	1.2	450	0.6
O, P, Q Public administration, education and health	1,779	1.4	1905	1.6
R, S, T, U Other	246	1.5	190	1.3

Source: Census 2011; BRES; SPRU Analysis

- 4.49 While the overall pattern is similar the higher concentrations for Professional Services and Other activities captured by Census estimates are likely to reflect where these capture small enterprises registered for PAYE only and not picked up in BRES estimates. The higher totals (and concentrations) in the Distribution and Public Services Sectors are more likely the result of rounding.
- 4.50 In terms of implications for the local labour market it is relevant to consider these workplace-based totals (excluding working from home) in the wider context. This is a significant impact on the extent to which this supports the self-containment of jobs and homes locally. Table 14 below illustrates that the proportion of workplace-based employment in the sub-area relative to the borough total is substantially lower than its relative contribution under other measures including the total population and usual residents in employment.

**Table 14. Proportion of Workplace-Based Employment Relative to Total Population and Usual Residents in Employment in the Newport Sub-Area**

	Telford & Wrekin		Newport (Town)		Newport (Functional Area)	
	2011	2021	2011	2021	2011	2021
Usual Resident Population	166641	185542	11536	13055	16531	18472
% of T&W Total			6.9%	7.0%	9.9%	10.0%
Usual Resident Population in Employment	78,372	85,492	5,440	5,789	7,590	7,976
% of T&W Total			6.9%	6.8%	9.7%	9.3%
Workplace Population	83,177	N/A	4,013	N/A	5,672	N/A
% of T&W Total			4.8%	N/A	6.8%	N/A
Workplace-based employment estimates (BRES)	77200	92450	3015	3440	4225	4840
% of T&W Total			3.3%	3.7%	5.5%	5.2%

Source: Census 2011; BRES; SPRU Analysis

- 4.51 The lower proportion of workplace-based jobs will have a generally downward effect on self-containment. The lower totals as a proportion of workplace-based jobs are therefore a result of the relatively smaller local labour market and in-turn can at least partly account for higher levels of out-commuting from the sub-area. Using this measure, it would also be expected that the overall economic footprint of the sub-area and its contribution to total output would be smaller, although this will be influenced by the specific nature of economic activity. Also, as shown earlier in terms of the nature of economic activities in the sub-area it does not necessarily follow that these are consistent with achieving higher levels of self-containment.

As a result, the workplace-based employment in the sub-area, even if comprising a relatively lower proportion of the borough total, may be subject to high levels of inflow and outflow commuting.

- 4.52 While these trends have been relatively consistent since 2011 it should be noted that the intervening decade has provided strong population and employment growth for the borough as a whole. The sub-area has mirrored these trends including using the measure for workplace-based employment growth in the sub area, suggesting that its economic profile has not shrunk relative to the borough despite performance elsewhere.
- 4.53 All previous evidence assessing needs for economic development in Newport pre-dates Census 2011 origin-destination data for Travel to Work Patterns. These remain the most recent available data. Earlier studies, reflecting 2001 Census outputs, indicated low levels of self-containment, with only 38% of residents living and working in the study area. The 2013 PBA Report predicted that levels of self-containment, once published following the date of that study, would indicate yet lower still levels of self-containment due to a limited change in the total number of jobs over the preceding decade 2001-2011 set against growth in the working age population and stronger growth in jobs beyond the sub-area. Census 2011 data indicates that this prediction of lower self-containment was correct.
- 4.54 Table 15 below illustrates the breakdown of commuting flows within the Newport (functional area) best-fit geography sub-area used to identify residence-based and workplace-based self-containment.

**Table 15. Breakdown of Commuting Flows within the Newport Functional Area Sub-Area for Residence-Based and Workplace-Based Self-Containment**

	2011	
	People	% of Total Working in LA
Live and work in Newport (Functional Area)	1,705	28%
Home Workers	1,026	17%
No-Fixed Place	525	9%
In-Commute to Newport (Functional Area)	2,898	47%
Out-Commute from Newport (Functional Area)	5,006	
Total Working in Newport (Functional Area)	6,154	
Total living in Newport (Functional Area) (and working)	8,262	
Net Commuting Outflow	2108	

Source: ONS Census Data

- 4.55 The following Table 16 illustrates the specific calculations for self-containment, under which both measures produce results below the 38% self-containment previously recorded (for a slightly different sub-area definition) in 2001.

**Table 16. Self-Containment Calculations for Residence-Based and Workplace-Based Commuting Flows in the Newport Sub-Area**

	Total	Live and work in T&W	Self-containment
Residence-based Living in LA and working commuting flows	6,711	1,705	25%
Workplace-based Living in LA and commuting flows	4,603	1,705	37%



Source: ONS Census Data

- 4.56 The equivalent data for Telford & Wrekin are shown below and correspond to high levels of self-containment (73% residence-based and 68% workplace based). The main distinction within these data is that the borough as a whole has a negative commuting ratio (indicating a net inflow of commuters).

**Table 17. Commuting Patterns and Employment Distribution in Telford and Wrekin (2011)**

	2011	
	People	% of Total Working in LA
Live and work in T&W	48,842	59%
Home Workers	6,395	8%
No-Fixed Place	4,851	6%
In-Commute to T&W	23,376	28%
Out-Commute from T&W	18,383	
Total Working in LA	83464	
Total living in LA (and working)	78471	
Net Commuting Outflow	-4993	
Commuting Ratio	0.940	

Source: ONS Census Data

- 4.57 The main reasons for the higher workplace-based containment in the sub-area reflect the relatively small workplace-based population. When home-workers and those with no fixed workplace are excluded from the total working in the sub-area the numbers of people living and working in the sub-area forms a relatively greater proportion of the total (resulting in relatively fewer in-commuters from elsewhere making up part of the total). The opposite is true at borough-level, given it acts as an overall destination for net in-commuting and the proportion of home-workers is a relatively small proportion of the much larger total of persons working in the authority.
- 4.58 In terms of residence-based self-containment the trend is reversed, and the sub-area records a lower percentage relative to the borough. This is indicative of out-commuting from the sub-area being relatively more significant, given that notwithstanding above-average levels of home-working the total number of usual residents living in the sub-area (and working) includes a comparatively small proportion (25%) of flows corresponding to those living and working in the sub-area. This is at least in-part a function of the relatively small economic footprint of Newport within the wider context but also potentially a qualitative mismatch between labour supply and opportunities available in the labour market locally (labour demand).

#### e) **Origin-Destination Migration Flows**

- 4.59 The Census 2011 is the latest reliable available evidence for origin-destination migration flows taking account of the effect of the pandemic on 2021 data. This can be used to identify in greater detail the characteristics of the resident labour force in employment and the workplace population in terms of their relationship with the wider labour market and Newport's economic geography.
- 4.60 Of around 5,000 persons recorded as residents in employment but out-commuting from the Newport Functional Area around 50% have a workplace destination within Telford & Wrekin. This is consistent with the overall characteristics of the modal travel-to-work distance of 10-30km (reflecting Telford as the main economic centre). For Newport this indicates that Telford overwhelmingly attracts the majority of labour demand, notwithstanding that the sub-area sits at the periphery of the administrative boundary. The resident labour force therefore has a

positive impact on residence-based self-containment within Telford overall. On this basis it could be stated that should Newport experience higher rates of growth in employment recorded within the sub-area, particularly were this to broadly align with existing economic strengths in the borough as a whole, there is the potential to increase the self-containment amongst those living and working locally in the sub-area given that the majority of out-commuting flows already remain in the borough.

- 4.61 The distribution of remaining out-commuting flows (around 2450 persons) is broadly similar to that for Telford & Wrekin overall. The greatest number of trips (around 870 persons) are accounted for in flows to Shropshire (36% of the total), but this represents a lower proportion than the figure for Telford & Wrekin excluding sub-area flows (46%). This indicates that the sub-area, despite partly adjoining the Shropshire administrative boundary, is relatively remote from major economic centres in Shropshire. The next highest proportion of flows is accounted for by Stafford (16% - around 400 persons) which is significantly greater than 3% of out-commuting flows recorded by the borough overall. There is no discernible difference between flows from the sub-area and the remainder of the borough to nearby major economic centres in Birmingham and Wolverhampton and a similar proportion of flows to the rest of England and Wales.

**Table 18. Comparison of Commuting Flows between Newport Functional Sub-Area and Telford & Wrekin (excluding sub-area), with Percentage Distribution to Other Areas**

Place of Work	Usual Residence			
	Newport Functional Sub-Area		Telford & Wrekin (excluding sub-area)	
		% of Total (excluding T&W)		% of Total (excluding sub-area)
Functional Sub-Area	1705		1118	
Total Out-Commuting Flows	5006		15876	
Telford and Wrekin (excluding Sub-Area)	2548		46294	
Birmingham	116	5%	1096	6%
Shropshire	872	36%	8185	46%
South Staffordshire	105	4%	541	3%
Stafford	391	16%	879	3%
Wolverhampton	221	9%	1770	10%
England and Wales	343	14%	2556	14%

Source: ONS Census Data

- 4.62 Origin-destination flows for the workplace population show a similar pattern. The Functional Sub-Area attracts a higher proportion of in-commuting flows from Stafford and a substantially higher proportion from the rest of England and Wales.

**Table 19. Comparison of Inbound Commuting Flows between Newport Functional Sub-Area and Telford & Wrekin (excluding sub-area), with Percentage Distribution to Other Areas**

Usual Residence	Place of Work			
	Newport Functional Sub-Area		Telford & Wrekin (excluding sub-area)	
		% of Total (excluding T&W)		% of Total (excluding sub-area)
Functional Sub-Area	1705		2548	
Total In-Commuting Flows	2898		21596	
Telford and Wrekin (excluding Sub-Area)	1118		47137	
Shropshire	628	35%	10477	49%
Stafford	351	20%	804	4%
South Staffordshire	86	5%	1360	6%
Wolverhampton	56	3%	2406	11%
Birmingham	14	0%	701	3%
England and Wales	485	27%	2335	11%

Source: ONS Census Data

- 4.63 The England and Wales figure could partly reflect the nature of employment (particularly those elements associated with higher education or where hybrid working arrangements mean that Newport has been provided as a workplace location but with flexibility in the everyday location of work). It is also the case that Newport may be an attractive location for longer-distance commuting given its relatively small size and slightly closer proximity to neighbouring regions particularly the North West.
- 4.64 Of total in-commuting flows of around 2,900 persons only around 1,100 are generated by trips from elsewhere within Telford & Wrekin (around 38%). The total proportion of in-commuting from outside Telford & Wrekin is around 29%, which is slightly higher than for the borough overall. Including the in-commuting flows from elsewhere in Telford & Wrekin therefore has a relatively less significant positive impact on workplace-based self-containment for jobs and workers. This is due to employment within the sub-area potentially attracting workers from a slightly wider commuting catchment and therefore being potentially less well-aligned with the labour market in the remainder of the borough (at least as of the Census 2011).

#### f) **Conclusions on Travel-to-Work and Self-Containment**

- 4.65 The details of the residence-based and workplace-based employment profiles together with the analysis of commuting trends shown in this section indicate that positive trends in the delivery of economic development in the sub-area would be likely to result in these remaining relatively closely aligned with some scope to increase the current relatively low measure of self-containment in the sub-area.
- 4.66 This should be viewed in the context that presently there is also potentially a constraint on the number of jobs to match the skills and occupational profile of the resident population. This would reflect higher levels of competition for positions that offer scope to live and work in the sub-area, particularly where the labour market overall is performing relatively well and labour demand associated with activities in the sub-area is attractive to a wider potential catchment of workers. There is, however, scope to consider the implications of potentially greater future alignment as part of this Study and an assessment of the link between jobs and homes (and future population growth) when considering future needs for land and floorspace.



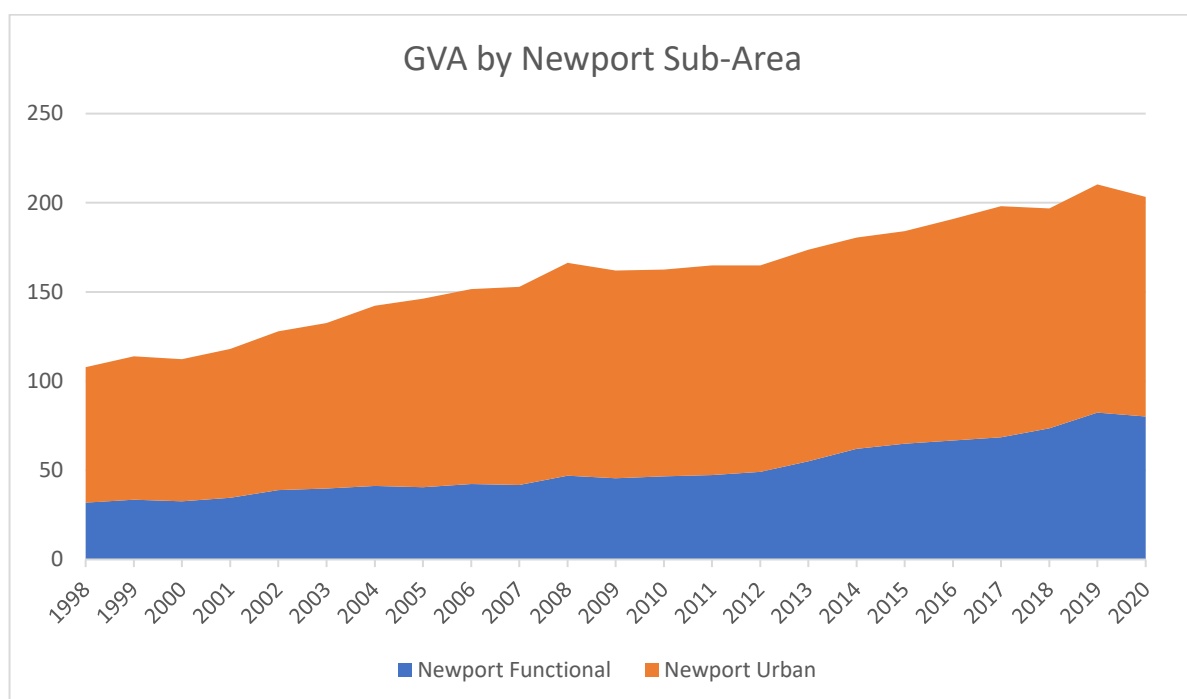


## 5.0 MARKET SIGNALS

### a) Local Labour Market and Contribution of the Sub-Area to Output

- 5.1 This sub-section looks at the profile of the sub-area in terms of its productivity (measured by total Gross Value Added for relevant LSOA geographies) and contribution to overall economic output in Telford & Wrekin. This is also illustrated with reference to changes over time and the relationship with the more detailed profile of productivity by industry, which is available only at borough level.
- 5.2 The previous chapter identified that the sub-area provides for a labour market measured by workplace population and local employment estimates that is proportionally smaller than the resident population and resident population of working age. Dependent on the particular characteristics of the local labour market workplace-based measures provide a better indicator of the sub-area's likely contribution to economic output.
- 5.3 Total GVA, split between the sub-area for Newport Town and the wider functional geography within Telford & Wrekin is shown in Figure 6 below.

**Figure 6. GVA Trend Comparison between Newport Town and Functional Sub-Area**



Source: ONS; SPRU Analysis

- 5.4 GVA in the constituent parts of the sub-area has increased over the period to 2020, notwithstanding that the most recent data for 2020 are impacted by the effects of the Coronavirus pandemic.
- 5.5 Table 20 below illustrates compound growth rates for the period 2008-2020 and a shorter-term horizon for 2015-2020. Table 20 also compares this performance against the overall compound change for Telford & Wrekin and the West Midlands Region over the same period. The relative contribution of the sub-area to total GVA in Telford & Wrekin as at 2020 is also shown.

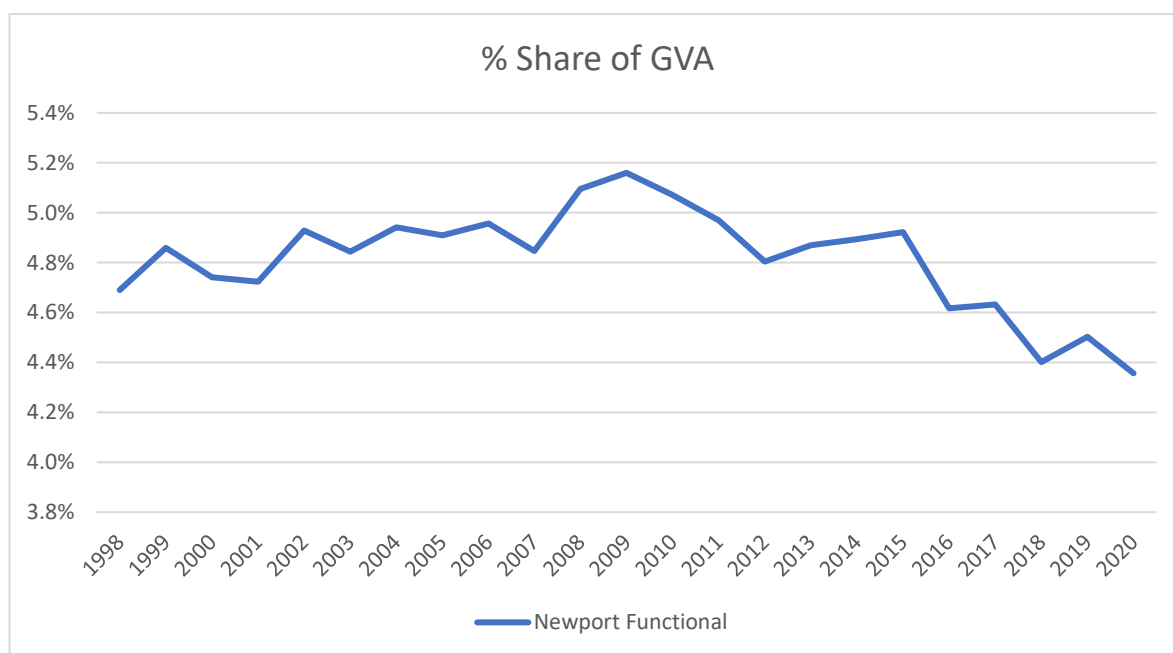
**Table 20. Compound Annual Growth Rates comparison for GVA (2008-2020 and 2015-2020) and Relative Contributions to Total GVA in Telford & Wrekin (2020)**

	CAGR 2008-2020	CAGR 2015-2020	% of T&W Total (2020)
Newport Town	0.3%	0.7%	2.6%
Newport Wider Hinterland	4.6%	4.3%	1.7%
Newport Functional Area	1.7%	2.0%	4.4%
Telford & Wrekin Total	3.0%	4.5%	
West Midlands	2.5%	1.9%	

Source: ONS; SPRU Analysis

- 5.6 Table 20 illustrates that the sub-area overall has performed in excess of the West Midlands average, but below the compound rate of change in Telford & Wrekin. The effect of these differences is that the sub-area's overall contribution to output has reduced over the period assessed, as shown in Figure 7 below. This is despite the most recent decade indicating a stabilisation and return to growth for total levels of employment within the sub-area.

**Figure 7. Change in Sub-Area's Contribution to Output 1998-2020**



Source: ONS; SPRU Analysis

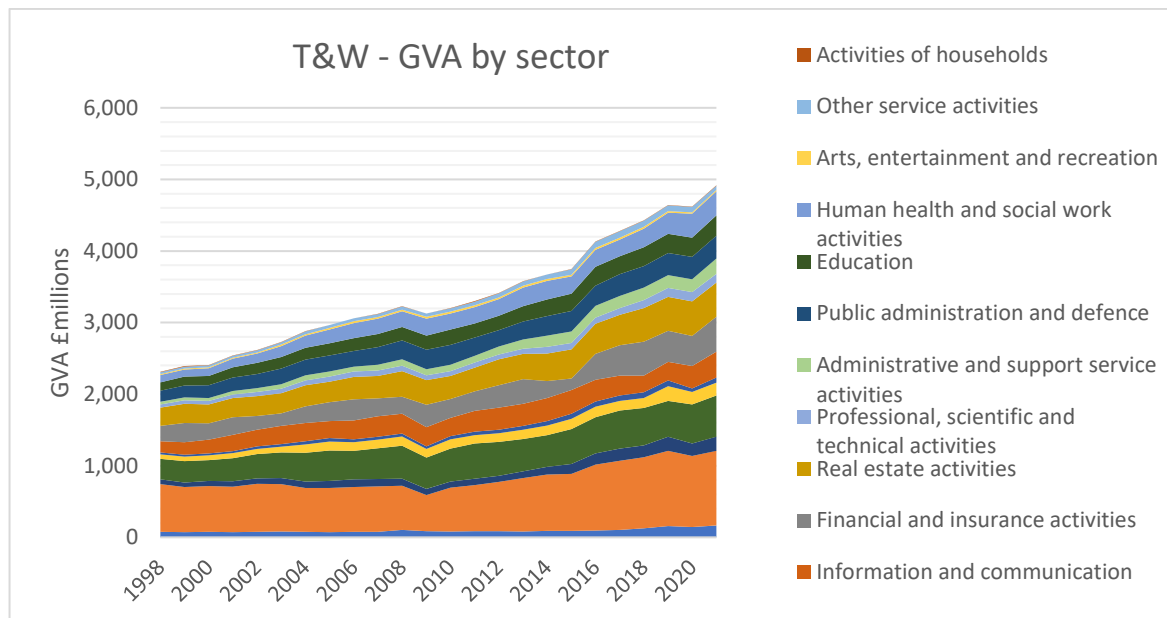
- 5.7 It broadly remains the case that contribution towards economic output and total employment as a proportion of the borough totals are closely aligned. However, care should be taken when comparing these measures directly. The wider hinterland of the sub-area has experienced a substantially greater rate of growth in productivity over the analysis period, with its contribution to overall output in the sub-area now generally exceeding its share of total employment. The economic profile of the area, and differences in performance by sector and the concentrations of activity between sectors, are also relevant to understand the share of total output and change over time.

Source: To illustrate this total GVA by industry for Telford & Wrekin is shown in Figure 8 below. The following ONS; SPRU Analysis

- 5.8 Table 21 shows compound rates of change by industry for the same time periods, and the

relative contribution of each industry to total GVA.

**Figure 8. GVA by Industry in Telford & Wrekin**



Source: ONS; SPRU Analysis

**Table 21. Compound Rates of Change by Industry and Relative Contribution to Total GVA**

SIC07 description	% of total GVA	CAGR	
		2008-2020	2015-2020
All industries		3.0%	4.3%
Agriculture, mining, electricity, gas, water and waste	3.1%	3.0%	9.5%
Manufacturing	21.5%	4.0%	4.6%
Construction	3.8%	4.7%	4.1%
Wholesale and retail trade; repair of motor vehicles	11.8%	1.4%	2.3%
Transportation and storage	3.7%	2.5%	4.0%
Accommodation and food service activities	1.1%	2.2%	-6.0%
Information and communication	6.8%	1.0%	-1.2%
Financial and insurance activities	9.0%	4.8%	20.6%
Real estate activities	10.5%	2.6%	3.7%
Professional, scientific and technical activities	2.7%	4.2%	6.5%
Administrative and support service activities	3.9%	6.1%	2.6%
Public administration and defence	6.8%	1.5%	2.0%
Education	5.8%	2.9%	2.1%
Human health and social work activities	7.2%	3.6%	6.9%
Arts, entertainment and recreation	0.4%	-2.8%	-8.1%
Other service activities	1.7%	4.7%	1.3%
Activities of households	0.1%	2.4%	0.0%

- 5.9 While GVA details by industry are not available for small area geographies these data can be compared with the concentration of employment by the same sectors within the sub-area. This illustrates that the higher concentration of employment in retail, public services, accommodation and distribution within the sub-area (particularly for Newport Town) aligns to sectors where the change in the contribution to output over the period from 2008 has been limited, or negative.
- 5.10 The sub-area has relatively low concentrations of employment in sectors such as Manufacturing where (notwithstanding stable levels of employment) stronger rates of growth in output have been recorded elsewhere in Telford & Wrekin.
- 5.11 In terms of the increased share of output in the wider hinterland for the sub-area over the same period this is at least partly due to stronger performance within some relatively highly concentrated sectors (such as professional services) over the assessment period. However, relative to the borough position this sector has performed less well than financial activities and information and communication (both of which have low concentrations in the sub-area).
- 5.12 Some of the contribution towards increased output will be disproportionately reflected by the size of the rural hinterland and relatively higher value of property when accounting for stronger performance as part of Real Estate activities, which make up around 10% of total output in the borough.

**Table 22. Sector Comparison for Newport Town and Newport Functional Area**

Sector	Newport Town			Newport Functional Area		
	Number	LQ vs T&W	% of T&W Total	Number	LQ vs T&W	% of T&W Total
1: Agriculture, forestry & fishing (A)	0	0.0	0%	15	0.4	0%
2: Mining, quarrying & utilities (B, D and E)	0	0.0	0%	0	0.0	0%
3: Manufacturing (C)	105	0.2	0%	115	0.2	0%
4: Construction (F)	150	1.3	0%	240	1.5	0%
5: Motor trades (Part G)	45	0.7	0%	45	0.5	0%
6: Wholesale (Part G)	165	0.7	0%	180	0.6	0%
7: Retail (Part G)	620	2.4	1%	715	2.0	1%
8: Transport & storage (inc postal) (H)	50	0.3	0%	55	0.3	0%
9: Accommodation & food services (I)	425	2.3	0%	615	2.3	1%
10: Information & communication (J)	35	0.2	0%	60	0.2	0%
11: Financial & insurance (K)	50	0.6	0%	50	0.4	0%
12: Property (L)	75	1.3	0%	90	1.1	0%
13: Professional, scientific & technical (M)	180	1.4	0%	250	1.4	0%
14: Business administration & support services (N)	365	0.8	0%	445	0.7	0%

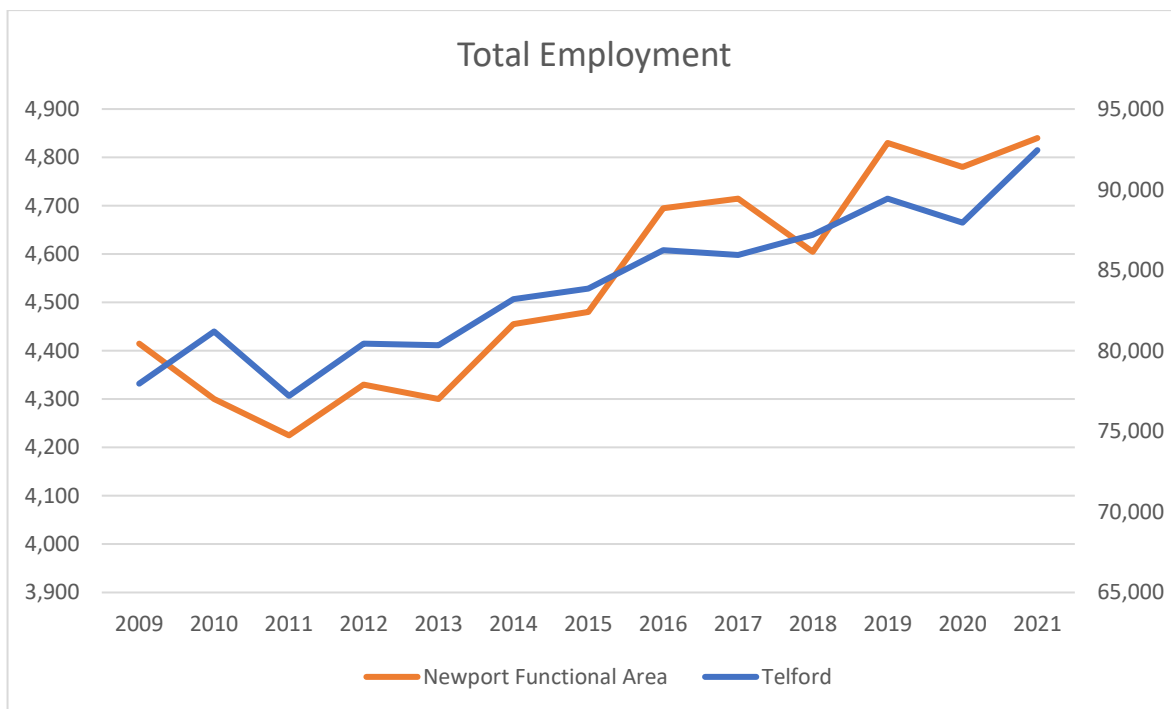


Sector	Newport Town			Newport Functional Area		
	Number	LQ vs T&W	% of T&W Total	Number	LQ vs T&W	% of T&W Total
15: Public administration & defence (O)	10	0.1	0%	10	0.0	0%
16: Education (P)	490	1.9	1%	1,150	3.1	1%
17: Health (Q)	500	1.5	1%	580	1.2	1%
18: Arts, entertainment, recreation & other services (R, S,T and U)	175	1.2	0%	225	1.1	0%
<b>Column Total</b>	<b>3,440</b>		<b>3.7%</b>	<b>4,840</b>		<b>5.2%</b>

Source: BRES; SPRU Analysis

- 5.13 Figure 9 below illustrates that the trends in total employment recorded by the Business Register Employment Survey for the study area and Telford & Wrekin show a similar trend. The following Table 23 reflects differences in the compound growth rate across different industries over the same period.

**Figure 9. Trends in Total Employment for Newport and Telford & Wrekin**



Source: BRES; SPRU Analysis

**Table 23. Compound Growth Rate Variations Across Industries**

Sector	CAGR 2009-2021	
	Study Area	T&W
1: Agriculture, forestry & fishing (A)	-5.6%	-1.1%
2: Mining, quarrying & utilities (B, D and E)	0.0%	2.8%
3: Manufacturing (C)	-5.3%	0.0%
4: Construction (F)	1.1%	2.4%
5: Motor trades (Part G)	1.0%	2.8%
6: Wholesale (Part G)	-0.9%	0.0%
7: Retail (Part G)	1.1%	-1.1%
8: Transport & storage (inc postal) (H)	-7.5%	4.0%
9: Accommodation & food services (I)	2.1%	1.9%
10: Information & communication (J)	0.0%	3.4%
11: Financial & insurance (K)	-11.1%	-0.9%
12: Property (L)	2.7%	3.4%
13: Professional, scientific & technical (M)	3.8%	2.8%
14: Business administration & support services (N)	10.5%	5.9%
15: Public administration & defence (O)	-12.6%	-3.6%
16: Education (P)	1.4%	1.3%
17: Health (Q)	-0.3%	2.1%
18: Arts, entertainment, recreation & other services (R, S,T and U)	0.2%	4.9%
<b>Column Total</b>	<b>0.8%</b>	<b>1.4%</b>

Source: BRES Data

- 5.14 Given the relatively small employment totals in the study area care should be taken when comparing performance within the same sector at the borough level. However, the data do illustrate a slightly slower overall rate of employment growth in the Study area, and lower rates within sectors contributing a higher proportion of economic output (particularly Manufacturing and Financial Services). The strongest rate of employment growth has been observed across Business and Professional Services (countering losses from other industries) while employment in Retail and Hospitality has also been stable and out-performed borough-wide trends.
- 5.15 The employment profile of the Study Area therefore illustrates some change over the last decade but remains quite distinct from the position across the borough as a whole. The characteristics of land and floorspace for economic development required to support this profile will be sensitive to the requirements of specific industries in the area. This affects jobs densities and whether these reflect typical assumptions to translate these sectors into occupation of property by Use Class.
- 5.16 When profiled using these typical assumptions the characteristics of the employment profile indicate only around 23% of Full-Time Equivalent jobs occupying conventional 'B-Use' land and floorspace. This compares to around 53% of employment within Telford & Wrekin assumed to occupy B-Use floorspace. However, the profile of employment associated within Office and Research & Development floorspace within the sub-area forms around 50% of the B-Use Total compared with only around 40% of the total within the borough. This is largely a function of the much smaller employment base for Manufacturing, Storage and Distribution locally within Newport.

**Table 24. Breakdown of Full-Time Equivalent Employment and Equivalent Floorspace in Different Use Classes**

	B1a/b	B1c/B2	B8	Non-B
FTE Employment	419	195	280	2,939
% of Total Employment	11%	5%	7%	77%
Equivalent Floorspace (Sqm)	6,381	8,149	22,364	N/A
Newport Study Area - % of Total	21%	20%	13%	47%

Source: ONS; BRES; VOA Data; SPRU Analysis

- 5.17 Separate statistics are available from the Government's Valuation Office Agency providing a report of non-domestic floorspace and business premises for rateable value purposes. These data are available at Lower Super Output Area (LSOA) geographies that have been assessed for the purposes of the Study Area. These data should not be expected to produce a like-for-like comparison with a jobs-to-floorspace conversion of the BRES employment profile. The VOA data are also subject to potential discrepancies regarding the classification of office and industrial floorspace.
- 5.18 Within the Study Area these observations do produce a fairly close comparison and reinforce the findings of below-average concentrations of activity within conventional B-Use floorspace. These data are summarised in Table 25 below:

**Table 25. Comparison of Newport Floorspace Changes (2022)**

	Floorspace 2022 (sqm)	% Change March 2001 - March 2022	Change March 2011 - March 2022 (sqm)
<b>Telford &amp; Wrekin</b>			
<b>Industrial</b>	2,126,000	3.5%	74,000
<b>Office</b>	188,000	-14.9%	-28,000
<b>Newport Functional Sub-Area</b>			
<b>Industrial</b>	37,000	-40.5%	-15000
<b>Office</b>	8,000	37.5%	3000

Source: VOA Data

- 5.19 The VOA data also provide an estimate that rateable office floorspace within the sub-area is essentially located solely within the town of Newport with a small growth in stock in the rural parts of the functional area recorded since 2014. This may not entirely capture all office floorspace within the rural hinterland, or the classification of premises at Harper Adams University. The VOA office floorspace data show all positive net change concentrated between 2011 and 2022 (+3,000sqm), which contrasts with a loss of around 28,000sqm across the borough.
- 5.20 Industrial floorspace is also primarily concentrated in the town itself (68%) but has reduced by around 11,000sqm since 2011 and a further 12,000sqm reduction was recorded between 2001 and 2011. Around 32% of industrial floorspace is now located within the wider functional area, which partly reflects a net increase of c.6,000sqm recorded since 2011 (and a smaller 2,000sqm increase 2001-2011).
- 5.21 This reflects a shift in the balance of industrial floorspace within the sub-area over the last decade and may correspond to some changes in employment characteristics (such as the loss of Manufacturing employment locally). Overall, this reflects weaker performance than the borough which has seen an overall growth in floorspace. For the purposes of statistical

geography, the delivery of Ni-Park would be recorded in the rural parts of the functional area, but no net change was recorded between 2021 and 2022 indicating this scheme is yet to be recorded in the VOA data.

**b) Commercial Market Signals – Qualitative Assessment**

5.22 As part of this Study, DLP undertook a series of interviews with stakeholders with interests relevant to economic development in Newport. The interviews provided an opportunity to explore recent development trends, the qualitative and quantitative factors affecting demand for employment land and floorspace, the broader needs of the local economy and the wider role and function of Newport. Interviews were conducted with:

- Telford & Wrekin Council Planning Policy
- Telford & Wrekin Council Regeneration, Estates and Investment
- Invest Telford
- Harper Adams University
- The Marches Local Enterprise Partnership

5.23 The scope for stakeholder engagement was expressly identified as relevant to informing the outputs of this Study for two main reasons. Firstly, this recognises that Newport has been subject to relatively more significant levels of population, housing and employment growth since preparation of the pre-existing evidence base for the current Local Plan. Secondly, the profile of individual and locally important organisations such as Harper Adams University is considered to have increased since their more limited input to the 2013 Study.

5.24 The outputs of these interviews have been grouped by a series of themes covered by questions relevant to informing the findings of the Study, rather than the comments of individual organisations, building upon the context established by the literature review and baseline analysis.

**Table 26. Summary of Stakeholder Engagement Comments**

Theme	Comments and Observations
Newport's Role and Function	Newport is strategically well connected, being located close the M54 motorway and having good links to the West Midlands conurbation to the east. There are strong commuter links from Newport into Telford and employment centres further afield.  Newport is perceived as a separate and distinct employment centre from Telford. Some employers would not want to locate in Telford but would want to be based in Newport.
Characteristics of the Population and Local Labour Supply	Recent population and housing growth in Newport indicates a strong local labour supply. Although there are still reports of a skills shortage locally. Representatives from Harper Adams University in particular noted difficulties in recruiting for roles at all levels, including higher professional roles. Transport links to Harper Adams University are comparatively poor, due to its remote location outside the town. A large proportion of its employees commute in from further afield.
Characteristics of the Local Economy	The employment market in Newport is considered to be performing at a similar level to that within the wider Telford and Wrekin district. The High Street in Newport town centre is performing well compared to



Theme	Comments and Observations
	<p>other centres in the district, with a relatively low number of vacant units. This does however mean there is limited flexibility to accommodate commercial floorspace in this location.</p> <p>Stakeholders noted strong demand for general industrial floorspace (units of around 1,000-1,500sqft with yard space) in the Newport sub-area, particularly in the context of a current lack of available stock. There are few enquiries for larger scale industrial units (over 50,000sqft) – these enquiries tend to be focused more towards Telford.</p> <p>There is also relatively high demand for good quality, 'grade A' flexible office floorspace locally, again within the context of a limited supply of existing stock.</p>
The Role of Harper Adams University	<p>Despite a number of grammar schools located in Newport providing a young, highly educated population, many of these young people move away for university or seek employment elsewhere. However, there is some evidence of increasing graduate retention through local companies linked to Harper Adams University.</p>
The Development of Ni-Park (Newport Innovation Park)	<p>The majority of enquiries received by the Council, including for units at Ni.PARK, are from individuals and businesses that are locally based within Newport or nearby areas, indicating a demand for employment floorspace within the study sub-area.</p>
Constraints and Opportunities	<p>Constraints relating to utilities and energy infrastructure provision may be a barrier to delivery of future employment floorspace in the Newport sub-area.</p> <p>Whilst the recent growth of Ni.PARK has been strong; some stakeholders reported a need for the Council to provide greater incentives to businesses to encourage them to invest in the Newport sub-area.</p> <p>More strategically, the Marches LEP is not putting specific support into the agri-tech sector (beyond Ni.PARK) currently, although there is a continued focus on overcoming challenges faced by rural economies and investing in transport in rural areas.</p> <p>There are no specific growth projects currently being supported in Newport by the LEP.</p>

- 5.25 The analysis of quantitative and qualitative market signals undertaken for this Study, including the input from stakeholders, indicates the benefit of a finer-grained understanding of considerations for economic development in Newport since preparation of the 2013 Study. The role of Harper Adams University and the delivery of Ni-Park since its allocation appear closely aligned to potential drivers of economic growth in the Study Area.
- 5.26 The changes to the stock of land and floorspace associated with these drivers (particularly via Ni-Park) within the wider context of change in the property and labour market and relationship with population and housing growth are central to opportunities for economic development and job creation. The delivery of objectives for economic growth in Newport has the potential to increase levels of self-containment within the resident labour force but the Study Area also demonstrates strength in key emerging sectors that are likely to enhance

its links with the wider area. Enhancing and retaining the skills profile of the resident population is likely to be a factor in sustaining output and enhancing opportunities for growth in new and existing sectors.

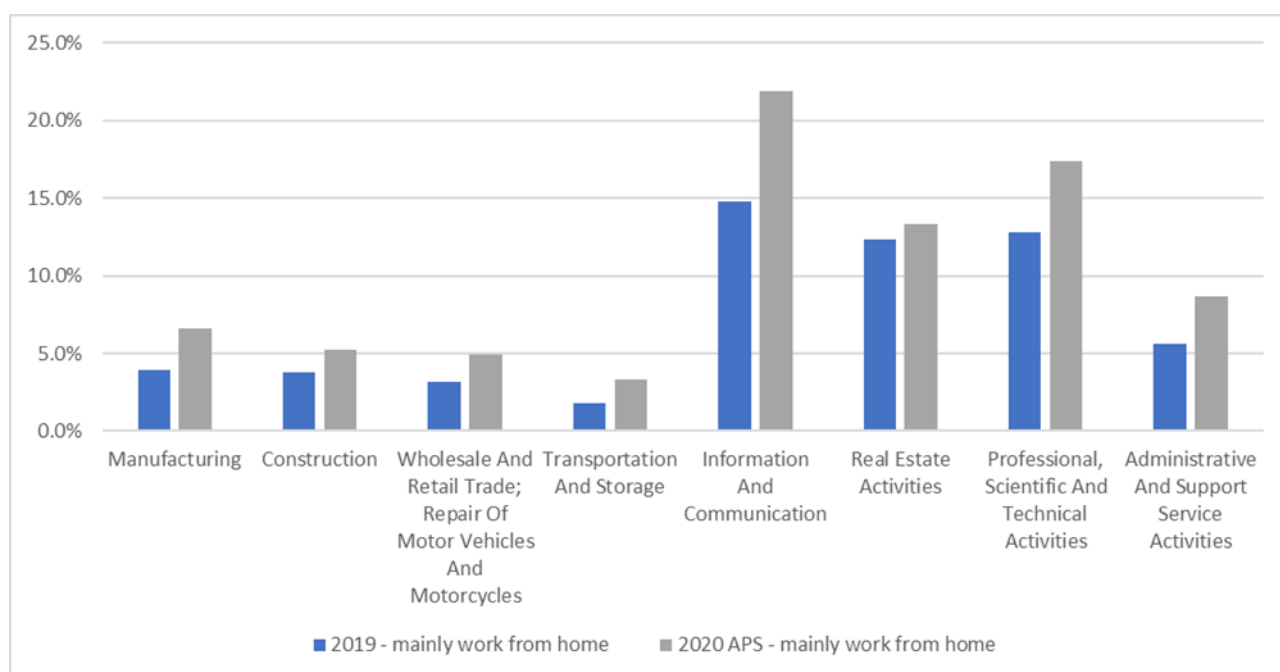
- 5.27 Notwithstanding this the pre-existing portfolio of land and floorspace as identified in the 2013 Study indicates pressure on land uses for economic development. This findings of this Study indicate that this has persisted, resulting in pressure on the availability of land and floorspace to meet general needs. Stakeholders have indicated this is likely to remain a constraint to opportunities for economic growth and contributes to the property and labour market in Newport remaining relatively distinct and limited compared to Telford & Wrekin as a whole.

## 6.0 WORKING FROM HOME TRENDS

### a) Changing Trends in Working from Home

- 6.1 The lockdowns that were imposed during the COVID-19 pandemic necessitated a large shift in the amount of home working across a number of sectors and many companies adjusted their operating practices and cultures in order to facilitate longer-term home working.
- 6.2 During the height of the pandemic, sectors with high levels of office-based activities saw particularly high levels of remote working, and large increases from the rates of home working seen pre-lockdown. The latest data from the 2020 Annual Population Survey, illustrated in Figure 10, shows an increase in the proportion of workers who worked 'mainly from home' across all sectors compared with the pre-pandemic 2019 figures. However, these figures are lower than the proportion working from home during the height of the lockdowns when working from home was enforced.

**Figure 10 Remote Working by Sector, 2019 vs 2020 Annual Population Survey**



Source: SPRU analysis of ONS data

- 6.3 This recent evidence therefore suggests that whilst levels of home-working have declined from the high levels seen in particular sectors during the pandemic, levels of home-working continue to remain above those seen pre-pandemic as many of the cultural and technological barriers have been overcome and many advertised roles, particularly in office-based sectors, now offer 'hybrid' or 'flexible' working arrangements. This change in working practices is therefore likely to impact on the quantum of employment space required to be planned for to support existing and future jobs growth.
- 6.4 Continued survey-based assessments of homeworking trends undertaken by the ONS further demonstrate the uncertainty of future working practices. This particularly relates to expectations for 'hybrid' work patterns where employees will continue to utilise conventional floorspace for at least part of their activities and thus potentially limiting the likelihood of a rapid reconfiguration of premises requirements. As of May 2021, the Business Insights and Conditions Survey found of those currently homeworking 85% expected to share their time between their usual place of work and remote working in the future.

- 6.5 Both businesses and individuals preferred a "hybrid" working approach (a mixture of both office and homeworking) in the future. However, while nearly two-fifths (38%) of businesses expected 75% or more of their workforce to be at their normal place of work, a large proportion (36%) of those currently homeworking thought they would spend the majority or all their time homeworking in the future. 37% of businesses surveyed as of May 2021 anticipated that their workforce would return to the main location of work within three months, potentially indicating a further narrowing of pre-Coronavirus and post-Coronavirus trends although Annual Population Survey data from 2021 are not yet available to substantiate this.
- 6.6 This provides justification for the application of trend-based adjustments to rates of homeworking rather than forecasting a substantial reduction in the absolute net demand for floorspace based on the main impacts of the pandemic.
- 6.7 One of the largest impacts of COVID-19 and workplace behaviour in the course of the subsequent recovery has been the sustained numbers of people working from home. A repeated theme of the stakeholder engagement has been that this has resulted in many of the barriers to home working being overcome out of necessity.
- 6.8 The removal of these barriers suggests that the prevalence of remote working is likely to increase in future. However, the scale of growth has been moderated, with a significant return to the workplace across all sectors following the easing of restrictions although a continuation of pre-COVID levels also seems unlikely.
- 6.9 Remote working is traditionally factored into employment land modelling implicitly via the employment densities from the HCA Employment Densities Guide (2015). These figures consider the average amount of floorspace required per worker for different uses. It factors levels of remote working – such as hot-desking and agile working – into the employment density ratios.
- 6.10 There are a number of barriers to home working. Three main issues have been identified:
- Technological barriers
  - Corporate attitudes towards homeworking and fears about reduced productivity
  - Limitations on teamworking, training, and client facing.
- 6.11 These barriers have meant that the growth in the proportion of workers mainly working from home is relatively small and growth has been relatively slow. It also raises significant questions about the scale of future growth in the rates of homeworking, and none of the recognised forecasting houses produce forecasts of how this might increase in future.
- 6.12 Feedback from stakeholders suggests that enforced homeworking due to COVID-19 has resulted in the first two of these barriers being overcome, at least to some degree. However, the third barrier largely remains. This suggests that this would likely result in increased working from home in the future, but this differs greatly between different sectors.
- 6.13 We have therefore considered how the working from home trends are likely to change from 2015 onwards to 2040, as shown in Table 27 below which groups data from individual industrial categories by broad sector. This has been done using national data on home working from ONS for the period 2012-19. This has been extrapolated forward to 2040. This is done for each sector (the modelling uses the detailed industrial breakdown and trend for each individual category, where relevant) and results in a total proportion of home working of 8.7% by 2040 although for some (predominantly office-based) sectors this is higher – the highest is IT and Communications which grows to 23.3% by 2040. Using 2015 as a base-date – as this aligns with the latest HCA employment densities data – we have calculated the increase in the proportion of homeworking for each year to 2040.



**Table 27. Working from Home Trends by Sector**

	2015	2040
Manufacturing	3.7%	6.9%
Electricity, gas & water	2.2%	8.7%
Construction	4.1%	7.3%
Wholesale and retail trade	3.4%	6.1%
Transport & storage	1.5%	2.9%
Accommodation & food services	3.6%	2.4%
Information & communications	14.4%	23.3%
Financial & business services	8.5%	15.6%
Government services	2.7%	5.9%
Other services (including recreation)	9.7%	13.2%
<b>All Jobs</b>	<b>5.3%</b>	<b>9.2%</b>

Source: ONS; APS; SPRU Analysis

- 6.14 The increase in homeworking for each sector could then potentially be factored into the employment land modelling for Newport. This would echo the approach adopted in the Part 1 EHDNA for Telford & Wrekin. This identifies the number of jobs growth in each sector by 2040 which will not require additional floorspace. (This only accounts for the growth since 2015 so the implicit homeworking assumptions in the HCA employment densities remain in the modelling). The additional homeworkers are assumed not to require additional floorspace and so are discounted from the analysis at Stage (iii) in Table 27 above.
- 6.15 The changes in working from home rates applies to all jobs in the forecast area, not just the additional jobs shown in the forecasts. Therefore, where any sector within an individual forecast shows a negative jobs growth, the increasing working from home rates further reduce employment land needs under this scenario.
- 6.16 While rates of home-working are lower in industries such as Retail/Wholesale and Transport & Storage these sectors nonetheless contribute towards the total of remote workers within 2015-based estimates. Official statistics also identify a modest trend towards these rates increasing to 2019 and beyond (and likely to reflect for example activities such as online support, remote stock management and couriership). Lower jobs densities within these sectors results in a relatively greater potential impact on net requirements for land, however the Council may wish to conclude the opportunities for home-working within these industries have a negligible 'real world' effect on the physical requirements for buildings and floorspace to conduct activity.

**b) Local Evidence for Levels of Home-Working and Future Trends**

- 6.1 There is already a higher recorded incidence of home-working recorded as part of the residence-based location of work for the population in Newport. Based on details of relatively low self-containment of jobs and workers in the sub-area it follows that the employer for many of those residents who list 'working from home' as their main place of work will be outside of Newport.

**Table 28. Comparison of Sector Distribution in Newport - Census Data (2011, 2021)**

Sector	2011	2021
A, B, D, E Agriculture, energy and water	38.0%	37.9%
C Manufacturing	9.1%	24.2%
F Construction	19.7%	18.5%
G, I Distribution, hotels and restaurants	10.5%	20.4%
H, J Transport and communication	17.1%	51.8%
K, L, M, N Financial, real estate, professional and administrative activities	19.8%	50.1%
O, P, Q Public administration, education and health	5.7%	27.9%
R, S, T, U Other	11.9%	29.5%
<b>All Jobs</b>	<b>12.4%</b>	<b>30.7%</b>

Source: ONS Census Data

- 6.2 However, the labour market within the Newport also exhibits relatively low levels of self-containment and high levels on inflow and outflow commuting relative to workplace-based jobs. The pre-existing incidence of opportunities to undertake employment for activities based in Newport but wholly or partly through home-working is therefore also likely to be greater.

**Table 29. Sector Distribution in Newport – Census Data (2011)**

Sector	2011
A Agriculture, forestry and fishing	58.2%
C Manufacturing	16.7%
B, D, E Energy and water	19.5%
F Construction	24.2%
G, I Distribution, hotels and restaurants	12.1%
H, J Transport and communication	39.8%
K, L, M, N Financial, Real Estate, Professional and Administrative activities	22.2%
O, P, Q Public administration, education and health	7.8%
R, S, T, U Other	14.6%
<b>All Jobs</b>	<b>16.6%</b>

Source: ONS Census Data

- 6.3 Contextual analysis of the property and labour market indicates that the total available floorspace broadly corresponds to the count of workplace-based jobs recorded in BRES data when modelled at conventional employment densities. In practice the effect of applying an additional trend-based assumption for further sustained increases in home-working following the pandemic produces a similar outcome to that which could be achieved through modelling a further reduction in employment densities when calculating needs for land and floorspace.
- 6.4 For the reasons outlined above for the purposes of this study we have not applied any adjustment for increased rates of home-working within the forecast period to the calculation of land and floorspace. This is because current, future and pre-pandemic levels of home working are already considered be more closely aligned and subject to a lower magnitude of change.
- 6.5 While it is the case that stronger forecast job growth may increase levels of workplace-based

employment at a faster rate in the study area than observed recently, and may result in a greater total of residents living and working locally as a result of population and housing growth it does not appear reasonable to assume that this will in effect require provision at lower employment densities as a result of home-working trends.

- 6.6 In practice it is also the case that residents in the study area that may take up employment locally over the forecast period would have been economically active and previously employed elsewhere (but captured in the already high estimates for home-working). In these instances, it is reasonable to assume that there would be a desire to maintain existing working practices but that land and floorspace to support particular activities is still required at conventional employment densities for at least part of the role.
- 6.7 In other words, pre-existing trends in employment density and levels of residence-based home-working would be retained despite in absolute terms increasing levels of home-working for jobs specifically located in the study area.

## **7.0 APPROACHES TO THE ASSESSMENT OF SUB-AREA NEEDS FOR EMPLOYMENT LAND**

### **a) Background**

- 7.1 This section of the ELNS utilises the context provided by preceding chapters to inform an assessment of net and gross needs for land and floorspace for economic development within the study area. The previous Newport Employment Land Study (PBA, 2013) utilised methodologies derived from labour demand, labour supply and past take-up techniques to inform an assessment of future needs. We consider that this reinforced the robustness of recommendations in the pre-existing evidence base. All three methods continue to form part of the NPPG in respect of economic development. It is therefore appropriate to retain all three techniques as part of the outputs produced by this update.
- 7.2 There have nonetheless been changes to the Council's wider evidence base and relevant inputs to inform each method since adoption of the current Local Plan. The Telford & Wrekin Economic and Housing Development Needs Assessment ('EHDNA') (Part One) (October 2020) undertakes a detailed assessment of scenarios for future economic growth and employment land needs as well as producing a range of alternative projections for demographic and household change. For the purposes of assessing potential requirements for economic development based on projected change in the supply of labour the Part One EHDNA includes sub-area projections that identify Newport as a separate sub-area.
- 7.3 Chapter 9 of the Part One EHDNA provides an overview of the inputs to the calculation of net and gross requirements for employment land and the principles outlined can be read across with this ELNS. However, the context for economic development has continued to evolve since 2020, not least associated with the ongoing recovery from the Coronavirus pandemic together with the specific characteristics of the Study Area relevant to this assessment.
- 7.4 The Part One EHDNA therefore provides a common starting point to undertake the ELNS but this section details where more recent inputs or refinements have been applied to generate estimates of future need. The ELNS seeks to take a positively prepared approach to identify potential future needs but produces a range of recommendations from within which the Council may wish to ensure provision for sufficient land and floorspace at Newport as part of the overall strategy for economic development.
- 7.5 For the avoidance of doubt the outputs of the ELNS should not be interpreted as a constituent part of the total recommendations for future land and floorspace needs identified in the Part One EHDNA. Due to differences in the inputs applied it would not be appropriate to simply 'net off' the requirements identified for the Study Area from totals for the authority although the contribution of any future provision for economic development should be considered as part of the overall supply/demand balance and evaluated in the context of overall provision for the needs of different sectors and surplus/deficit in the provision for different land uses.

### **b) Sub-Area Labour Demand Techniques**

- 7.6 The Part One EHDNA considers a range of econometric forecasts produced by Oxford Economic, Cambridge Econometrics and Experian. The forecasts are assessed on an overall and sectoral basis to consider their suitability and robustness for planning purposes. The EHDNA provides for a growth scenario based upon the Experian forecast equivalent to 853 net additional workforce jobs per annum for the period 2020 to 2040, with the baseline Experian forecast for the same period indicating growth of 700 jobs per annum. The early part of the period from period corresponded to a forecast post-Coronavirus 'bounce' equating to recovery of employment 'lost' as part of the pandemic between 2019 and 2020.
- 7.7 The forecasts reflected in the Part One EHDNA were produced in July 2020 and have a 2019



base-date for official employment estimates. While the forecasts indicate a strong economic outlook it was concluded that as part of preparation of the ELNS the most recent output of the Experian forecast should be obtained to provide the most up-to-date information on future growth prospects.

- 7.8 This was principally to ensure that any substantial strengthening of key sectors relevant to the local economy was reflected in the study. It is not necessarily the case that where the 2023 forecast does not show a strengthening of future growth prospects or alternatively indicates a weaker overall outlook in terms of forecast job growth then its outputs should be followed as part of long-term strategic planning for economic development.
- 7.9 The Part One EHDNA undertakes an analysis of reasonable future growth prospects based on a range of indicators such as the relative concentration of employment in certain sectors and long-term trends in total employment. In any circumstances where the baseline position shows prospects in excess of the Part One Growth Scenario this may equally provide a reason to assess whether future growth prospects should be increased further. However, it is not considered appropriate to ignore the assessment of these future growth prospects simply because a more recent forecast does show a weaker outlook in terms of the baseline position.

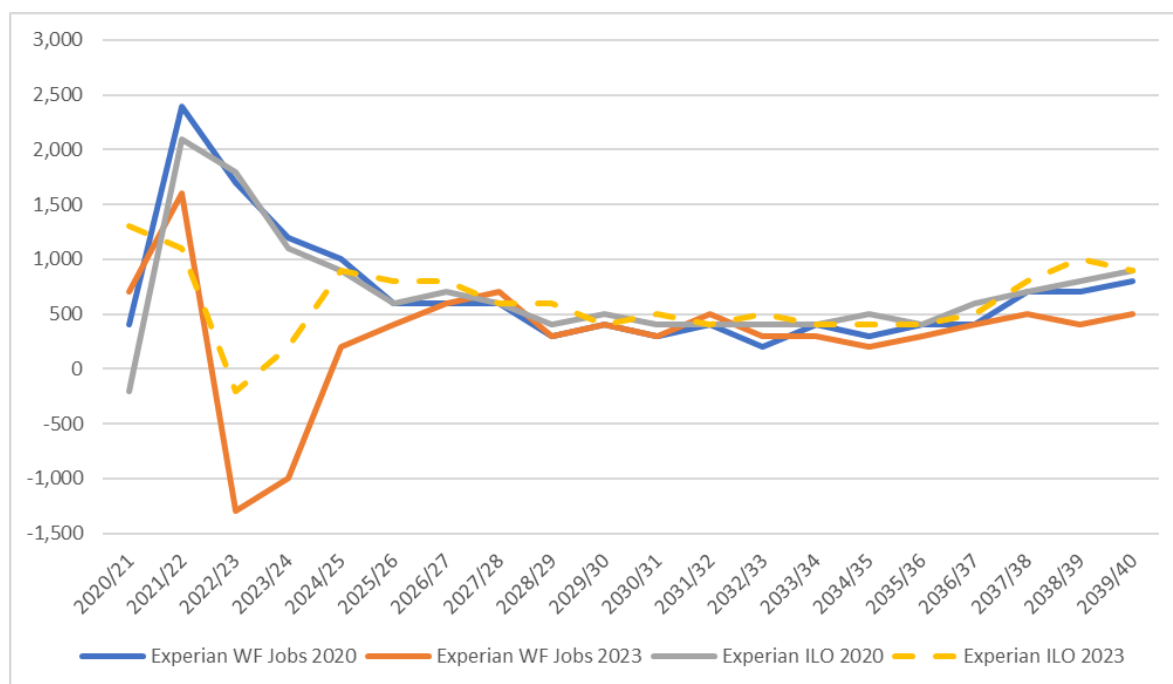
**i) Comparison of 2020 and 2023 Forecasts – Telford & Wrekin**

- 7.10 Engagement with Experian was undertaken to assess the outputs of its June 2023 forecast relative to the information presented within the Part One EHDNA. In summary this has reinforced that the difference between the 2020 and 2023 forecasts are subject to several underlying factors. Due to the top-down nature of economic forecasting the effect of macroeconomic nationally and regional factors also impact upon local outputs. Balancing factors applied at the local level are imposed as constraints to achieve regional employment totals. Generally, analysis of the 2023 forecast indicates that application of these constraints within Telford & Wrekin indicates that while the outlook of sectoral forecasts for labour demand is suppressed due to a more negative view of prospects nationally and regionally the authority's contribution towards potential future growth in economic activity remains more positive principally due to recent strong population growth and stable levels of overall employment.
- 7.11 In terms of the UK view, impacting the overall forecast, between the June 2020 round and June 2023 round, growth in the subsequent years (up to 2028) has been downgraded despite a recovery of GDP lost during the Coronavirus pandemic. Many factors sit behind this – the cost-of-living crisis, war in Ukraine, etc. together with ongoing Brexit effects.
- 7.12 The latest ONS data shows that there are more than 550 thousand additional inactive people (those neither employed nor unemployed) as of March-May 2023, relative to before the pandemic (December 2019-February 2020). This issue is mainly driven by long-term sickness and is expected to persist. This drags down the level of employment and workforce jobs relative to our May 2020 projection, in addition to the impact of higher inflation on hiring intentions, driven partly by the impact of war in Ukraine on global commodity prices.
- 7.13 Labour market dynamics nationally have changed considerably reflecting rising inactivity, and correspondingly a shrinking labour force, which feeds into a far weaker near-term growth profile for workforce jobs. Projections of slower population growth at the national level relative to the 2020 forecast contributes to further reductions in total forecast jobs growth to 2040 when comparing different series (translating to 135,000 less at the West Midlands level). The difference between forecasts in Telford & Wrekin is commensurate with this change.
- 7.14 Applying these factors to a sectoral outlook also impacted by the view of change at the regional and national level together with any changes to historical data locally. In addition to macroeconomic factors labour shortages and skills shortages are coming to the fore, with

some sectors finding it hard to recruit. The vacancy ratio (vacancies per unemployed person) is at 1.3, which is historically low. This acts as a further constraint on the prospects for sharper economic growth and profiles for jobs growth are generally reduced as a result.

- 7.15 Sectors such as manufacturing have noted a very challenging external and domestic backdrop and this unlikely to ease up in the near term. For the construction sector, the residential sector is the latest weak spot, which is hampering output activity and in turn employment. The outliers are those such as accommodation, food and recreation and information and communications. This reflects the latest data that shows these sectors have held up relatively well and as the cost-of-living crisis unwinds and the recovery gains momentum, these sectors should continue to hold a growth premium. The application of this outlook to the local level is further dependent on the relative concentration of population, expenditure, employment and historical trends.
- 7.16 This background explains the extent of and rationale for differences between the forecasts as shown in Figure 13 below:

**Figure 11. Comparison of 2020 and 2023 Forecasts for Telford & Wrekin**



Source: SPRU Analysis of Experian Forecasts

- 7.17 It can be observed that the differences from 2026/27 onwards are negligible. The dashed line for ILO<sup>18</sup> employment also illustrates that the short-term impact of the negative sectoral outlook has a greater effect upon workforce jobs than levels of residence-based employment and economic activity, which contrasts with the trend nationally and regionally. In principle this shows some potential resilience in the local labour force which would, under the constraints applied by the forecast, otherwise potentially commute outside the local area for work.
- 7.18 In terms of summarising differences between the 2020 and 2023 forecasts by sector and their implications for total Full-Time Equivalent (FTE) jobs for the period 2020-2040 illustrates

<sup>18</sup> The International Labour Organisation (ILO) provides an international standard method of measuring employment. In the UK this is implemented by means of a survey known as the Labour Force Survey (LFS) or Annual Population Survey (APS). This measure is based on the place of residence of the employee. It is a people count based on the main job that a person has.

a total difference of around -55% (total employment (workforce jobs) of 14,000 versus 6,300). This is shown in Table 30:

**Table 30. Comparison of Full-Time Equivalent Jobs Forecast for the Period 2020-2040**

	Total Employment		Difference 2023 vs 2020	FTE Growth Scenario	
	Experian 2020	Experian 2023		T&W Total	T&W Total
Agriculture, Forestry & Fishing	-500	-300	-40%	-34	-291
Extraction & Mining	0	0	N/A	0	0
Manufacturing	-1100	-1800	64%	1493	1860
Utilities	100	100	0%	94	94
Construction	400	-200	-150%	373	-192
Wholesale & Retail	1700	-1300	-176%	1405	-1094
Transport & storage	1300	1000	-23%	1193	918
Accommodation, Food Services & Recreation	700	1900	171%	482	1308
Information & communication	1100	2600	136%	1028	2449
Financial, Professional & Other Private Services	5800	2200	-62%	5129	1920
Public Services	4200	1900	-55%	3305	1488
Other Services	300	200	-33%	232	151
<b>Total</b>	<b>14000</b>	<b>6300</b>	<b>-55%</b>	<b>14699</b>	<b>8609</b>

Source: Experian Forecast, SPRU analysis

- 7.19 The Part One EHDNA applied adjustments to the 2020 forecast to reflect a stronger outlook for growth prospects in local manufacturing. The rationale for those same adjustments continues to apply to the 2023 forecast, particularly as employment levels in relevant sectors remained stable during, and has grown since, the pandemic. Applying these adjustments to the 2023 forecast reduce the difference between the 2020 and 2023 series. Measured by FTE jobs this reduces to -41% (8609 versus 14699). Nevertheless, there remain numerous sectors with a more negative short-term outlook that do not necessarily correspond to a robust forecast of local growth prospects.
- 7.20 It is not the role of this Study to draw definitive conclusions on any changes to an appropriate approach to forecast long-term needs for labour demand across Telford & Wrekin, although it would be recommended that any update to the Part One EHDNA reconsiders a range of econometric forecasts and other indicators. For the purposes of this Study, it is acknowledged that information from the latest Experian 2023 forecast should inform the starting point for labour demand, including reflecting the latest recorded information and forecast position regarding recovery from the pandemic. The following sub-section applies this starting point to the relevant Newport Functional Area, including drawing conclusions on whether the particularly negative outcome for certain sectors (especially in the period to 2028/29) should be amended or whether there are other sectors with stronger growth prospects.
- ii) **Sub-Area Forecast of Labour Demand including Sub-Area Growth Forecast**
- 7.21 There is no express requirement within current national policy and guidance for local planning authorities to prepare strategic policies for economic development to set out needs for these uses on a sub-area basis. However, the background to plan-making in Telford & Wrekin and provision for economic development in Newport itself supports generating a sub-area understanding of labour demand.

- 7.22 It is important to note that the quantification of needs for economic development based on labour demand techniques on a sub-area basis is not straightforward. Relevant economic forecasts are not produced below the local authority level. The approach to this Study reflects apportioning forecast employment growth using the existing number of jobs as recorded in BRES data for Middle Super Output Area statistical geographies within the Newport Functional Area. In the absence of any alternative sources of baseline information for forecast growth or employment estimates at finer-grained geographies this represents an appropriate approach and is the starting point we have adopted for this assessment.
- 7.23 It is not the objective of this Study to produce recommendations for future labour demand in Newport that are fully consistent with the outcomes of the Part One EHDNA. Needs identified in Newport may represent local drivers for growth that were not included within the overall measure of demand calculated for the authority. The outputs of this Study should not therefore be simply 'netted-off' from the Part One EHDNA total due to the different methodologies employed. Sub-area approaches to labour demand may also depart significantly from past take-up trends where past levels of delivery have been more limited. Finally, margins for flexibility and loss replacement also take account of different factors when calculated at the sub-area level relative to the total for Telford & Wrekin.
- 7.24 While these distinctions are important the recommendations of this Study do make clear that undertaking a standalone sub-area assessment of needs in Newport represents a positively prepared approach towards supporting economic development. The starting point in terms of the need and supply of employment for which provision could be made locally in Newport in principle exceeds the total that might be considered if the overall figure for Telford & Wrekin from the Part One EHDNA was apportioned on a pro-rata basis having regard to the existing distribution of employment.
- 7.25 In terms of the overall requirement for economic development to be identified within the emerging Plan the sum of recommendations from this Study plus the Part One EHDNA, net off a pro-rata deduction from its recommendations, would yield a greater total than the Part One EHDNA undertaken in isolation. It also remains open to the Council to distribute a greater proportion of overall needs for economic development to Newport, in excess of the recommendations of this Study, where consistent with wider market signals and plan-making considerations.
- 7.26 The contribution of outputs by sub-area to future policy options for the distribution of provision to meet future needs also requires some caution for the following reasons:
- Forecasts for labour demand reflecting expectations for future growth in employment will not necessarily reflect the distribution or characteristics of existing activity by sector or sub-sector.
  - Forecasts by definition are a reflection of net changes in employment. Expected losses within any sector or sub-sector will also not necessarily reflect the existing distribution of jobs within the borough.
  - Notwithstanding the two points above any approach which sought to alter the existing distribution of total employment may require significantly greater policy intervention than making provision for net additional needs on a sub-area basis. It would be arbitrary to suggest, for example, that a higher percentage of the existing baseline for employment would be located in one sub-area at the end of the plan period without knowledge of whether existing jobs within a given sector could be appropriately relocated elsewhere and without giving consideration to how this may affect the use or re-use of existing stock.
- 7.27 The points above demonstrate why apportioning labour demand by a fixed distribution of existing jobs at the start and end of the plan period is broadly appropriate.



- 7.28 In terms of a sub-area forecast for the Newport sub-area it is nevertheless the case that this addresses a very small proportion of total existing employment. Secondly, the economic baseline for the sub-area is relatively distinct from Telford & Wrekin as a whole. In practice this means that there is a relatively weaker concentration of some of the sectors with the highest magnitude of overall positive or negative change – particularly in manufacturing. This means that a straightforward sub-area apportionment of the forecast could provide an unrealistically neutral view of future prospects for labour demand with little net change in either direction.
- 7.29 Table 31 below illustrates this in terms of the proportion of employment within the sub-area focused principally within service sectors (and to a lesser extent concentrations in construction and professional services).

**Table 31. Proportion of Employment within Sub-Area by Sector, Primarily Service Sectors with Additional Concentrations in Construction and Professional Services**

	T&W Total	Newport Sub- Area Total	Newport - % of Total
Agriculture, Forestry & Fishing	680	16	2%
Extraction & Mining	53	0	0%
Manufacturing	14382	129	1%
Utilities	1059	5	0%
Construction	2691	231	9%
Wholesale & Retail	12219	696	6%
Transport & storage	3446	37	1%
Accommodation, Food Services & Recreation	3256	338	10%
Information & communication	4140	50	1%
Financial, Professional & Other Private Services	16328	714	4%
Public Services	17056	1478	9%
Other Services	2545	181	7%
Total (4-yr Average)	77855	3876	5%

Source: ONS; BRES; SPRU Analysis

- 7.30 Given the relatively modest overall totals for existing and forecast employment one further adjustment has therefore been applied to the sub-area forecast to account for local 'Growth Sectors'. These are identified as follows, from Table 31, reflecting locally strong trends in employment growth.
- Construction (F) (CAGR 2009-2021 1.1%)
  - Retail (Part G) (CAGR 2009-2021 1.1%)
  - Wholesale – flat employment held from 2023
  - Professional, scientific & technical (M) (CAGR 2009-2021 3.8%)
  - Business administration & support services (N) (CAGR 2009-2021 10.5%; CAGR of 3.8% applied consistent with Professional Services)
  - Education (P) (CAGR 2009-2021 1.4%)
- 7.31 The Experian 2023 forecast is also likely to present an overly negative outlook for Telford & Wrekin within these sectors due to wider macroeconomic factors identified in the sub-section above. The baseline forecast has therefore been adjusted to utilise the compound growth for

the period 2009-2021 or to hold the existing apportionment of employment flat over the plan period.

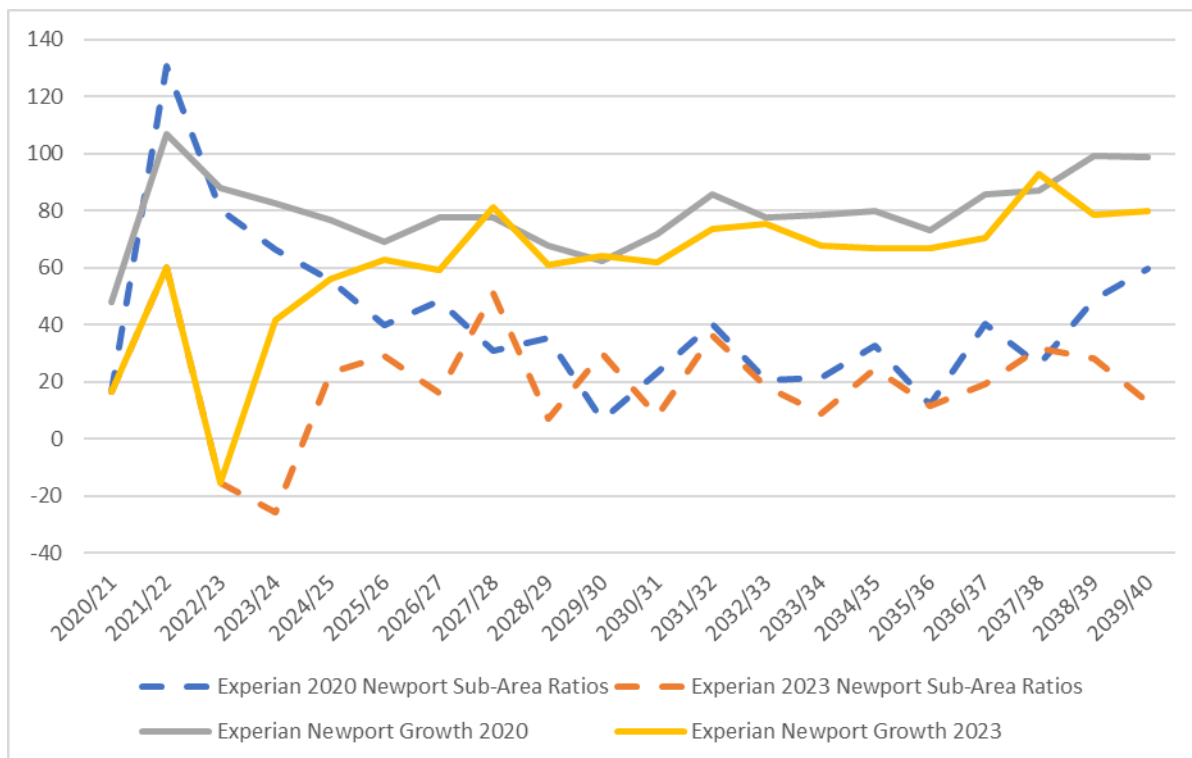
- 7.32 These adjustments are only applied from 2023, and utilise the latest Experian 2023 baseline forecast, to ensure that the starting point reflects the latest official estimates and a realistic snapshot of the current understanding of the rebound of activity following the pandemic (which has been relatively less sharp than forecast in 2020). This creates a local growth scenario for Newport for the period 2020-2040, as illustrated in Table 32 below. Figure 12 illustrates that this presents a more positive but reasonable outlook for growth prospects in several locally important sectors compared to a baseline forecast sub-area apportionment and also shows that use of the Experian 2023 forecast applies a sensible degree of moderation to the local Growth Sector adjustments.

**Table 32. Comparison of Growth Scenarios for Newport across Various Sectors (2020 and 2023)**

	Exp 2020 EHDNA Growth Scenario	Exp 2023 EHDNA Growth Scenario	Exp 2020 including Newport Growth Sectors	Exp 2023 including Newport Growth Sectors
	Newport	Newport	Newport	Newport
Agriculture, Forestry & Fishing	-1	-7	-1	-7
Extraction & Mining	0	0	0	0
Manufacturing	14	26	14	26
Utilities	0	0	0	0
Construction	37	6	72	62
Wholesale & Retail	77	-56	128	26
Transport & storage	13	10	13	10
Accommodation, Food Services & Recreation	50	136	50	136
Information & communication	13	30	13	30
Financial, Professional & Other Private Services	243	98	737	604
Public Services	372	137	551	325
Other Services	17	11	17	11
<b>Total</b>	<b>836</b>	<b>390</b>	<b>1594</b>	<b>1222</b>

Source: ONS; Experian Forecasts; BRES; SPRU Analysis

**Figure 12. Experian Forecast Comparison for Newport: Growth and Ratios (2020-2023)**



Source: Experian Forecast

**iii) Calculation of Net and Gross Sub-Area Labour Demand Employment Land Needs**

7.33 This sub-section generates equivalent land and floorspace outputs based on the Newport sub-area labour demand scenario. The assumptions for this stage are consistent with the Part One EHDNA for inputs including:

- Calculation of Full-Time Equivalent jobs (using data for the sub-area)
- Sector to Use Class (using local data for the sub-area employment profile)
- Jobs Density – sqm per job by Use Class
- Plot Ratios – 0.4 applied for all Use Classes

7.34 In addition to the steps of the calculation summarised above generating total employment land needs consistent with the Part One EHDNA requires allowance for net-to-gross conversion through provision for replacement for future losses together with a margin for flexibility.

7.35 There is limited availability of data locally to calculate allowances for loss replacement based on past trends. Instead, this Study apportions the total for loss replacement calculated from monitoring data for Telford & Wrekin overall in the Part One EHDNA based upon the relative proportion of total industrial and office stock present in the sub-area – approximately 2% of the overall figure. This is shown in Table 33 below.

**Table 33. Apportionment of Loss Replacement for Telford & Wrekin's Industrial and Office Stock**

Newport loss replacement - 2% of EHDNA total based on VOA stock				
	B1a/b	B1c/B2	B8	Total
Telford and Wrekin	0.4	0.5	0.1	1.1
(equivalent to replacing 10% of total VOA stock)				

Source: Telford & Wrekin Part One EHDNA, SPRU analysis

- 7.36 By means of a sense check this is equivalent to replacement of around 4,400sqm or approximately 10% of total floorspace stock over the period 2020-2040. This is generally accepted as a good 'rule of thumb' for normal operation of the property market. As part of monitoring future needs for land and floorspace the in-line with the recommendations of this Study the Council should nonetheless identify any future potentially significant 'one-off' losses not captured by the evidence-gathering for this Report and where requirements for replacement would exceed the allowance set out above.
- 7.37 A margin for flexibility in the sub-area has been calculated based upon annualised average take-up for the most recent 2017-2023 monitoring period and applied over five years. This represents a relatively strong short-term trend in new floorspace delivery in the sub-area and thus provides the basis for a stronger margin. This is shown in Table 34 below.

**Table 34. Margin Analysis based on 5-Year Average Annual Take-up Trend**

	B1a/b	B1c/B2	B8	Total
5 years	1.0	0.9	1.9	3.7

Source: Telford & Wrekin Part One EHDNA, SPRU analysis

- 7.38 This Study notes that due in part to the different time periods for analysis and also small differences in methodology the flexibility margin of 3.7 hectares is significantly greater than the 1.2 hectares allowed for in the 2013 Study<sup>19</sup>. This is considered appropriate given the stronger recent take-up trend. The purpose of the margin is principally to reflect the typical time period between application for permission and completion of development.
- 7.39 Neither the 2013 Study nor this Report recommend provision for a separate allowance for frictional vacancy or 'churn'. It should be noted that in this Report the application of the flexibility margin for five years (rather than 3 years in the 2013 Study) is at the upper end of the period typically allowed for. Also, the margin itself equates to around 12,500sqm (approximately 25% of existing office and industrial stock). Given the relatively small local property market and the significant flexibility allowed for there is limited scope to recommend that net and gross need should be subject to further adjustment for local choice or expansion through an additional margin for increased vacancy rates (i.e. 'churn') in existing and future stock growth.
- 7.40 The above inputs are all applicable to calculating land and floorspace for net labour demand. It should be recognised that while they incorporate local data where possible there are still likely to be local differences in the use of land and floorspace that will not correspond to national assumptions such as jobs density for office floorspace or the proportion of activities taking up difference space by Use Class. Anecdotally this is likely to be proportionally more important in the sub-area due to factors such as the presence of Harper Adams University, growth of the Agri-Tech sector and a higher concentration of Research and Development activities. This is addressed as part of sensitivity testing applied within this Study to the illustration of floorspace needs.

<sup>19</sup> See paragraph 5.24, which also references approximately a 1ha allowance for loss replacement.

- 7.41 Annualised take-up by Use Class provides a potential indicator of jobs density and sector to Use Class information locally that would not necessarily be captured in econometric forecasts for Telford & Wrekin as a whole. In the sensitivity test net labour demand, grouped by Office, R&D and Light Industries separately from general Industrial uses, has been transformed into sector by Use Class that matches that take-up trend. A 2011-2023 trend has been applied as while this corresponds to lower average delivery a long-term trend will by definition have a stronger link with the overall profile of employment and be less likely to be distorted by recent patterns of floorspace delivery that may not yet be reflected in jobs totals.
- 7.42 This is shown in Table 35 below and has the effect that for the same number of jobs overall densities would be lower and thus total floorspace needs increased more in-line with recent trends.

**Table 35. Sensitivity Trend and Net Labour Demand Apportionment Analysis**

Sensitivity trend	Offices and R&D			Industrial	
	B1a	B1b	B1c	B2	B8
A. Net Labour Demand by Use Class	232	42	9	127	21
B. Sum By Grouping	284			148	
C. % of Total Labour Demand (Grouped by Office / Industrial) (B / A)	82%	15%	3%	86%	14%
D. Annualised Take-up by Use Class 2011-2023	2078	7367	6225	4557	16163
E. Take-Up Sum by Grouping	15670			20720	
F. % of Annualised Take-Up (Grouped by Office / Industrial)	13%	47%	40%	22%	78%
G. Net Labour Demand Apportioned by Annualised Take-Up (B * F)	38	133	113	33	115

Source: Telford & Wrekin Part One EHDNA, SPRU analysis

**iv) Total Sub-Area Labour Demand Land and Floorspace Needs**

- 7.43 The sub-section reports the outputs of the sub-area labour demand forecast and translation to needs for land and floorspace. The outputs cover a 2020-2040 period using the Experian 2023 baseline forecast. In practice recent macroeconomic trends as shown in Figure 11 demonstrate that this corresponds to effectively very limited net employment growth in the 2020-2023 period under the forecast assumptions.
- 7.44 It should be noted that top-down econometric forecasts will not capture very recent changes in employment at the local level of the Newport sub-area and will not necessarily capture very detailed local characteristics such as recent investment in the Agri-Tech sector locally. Broadly speaking this means that the very recent implementation of the first two phases of the Ni-Park since 2020 should not be 'netted off' from the 2020-2040 totals generated by these outputs. This significant local investment does, however, reinforce the rationale for the sectoral adjustments in the Newport sub-area local labour demand forecast.
- 7.45 Table 36 calculates needs of 7.9 hectares based on the assumptions for Sectors to Use Class and jobs density applied to Telford & Wrekin in the Part One EHDNA.



**Table 36. Hectare Calculation Based on Sector Needs and Job Densities**

Net and Gross Labour Demand	B1a	B1b	B1c	B2	B8	Total
Net Labour Demand	3310	2326	459	4788	1700	12583
Margin for Flexibility	3967		3428		7541	14936
Loss Replacement	1564		2196		486	4246
Total	11166		10871		9727	31765
(Hectare Equivalent)	2.8		2.7		2.4	7.9

Source: SPRU Analysis of Experian Forecast and Various Data

- 7.46 Table 37 generates an alternative figure of 10.8 hectares using the sensitivity scenario to re-map Sector to Use Class by the split of take-up by floorspace within B2/B8 and Office/Research & Development groupings. It is reasonable to view the sensitive scenario as less conservative but also more representative of characteristics within the local economy.

**Table 37. Sensitivity Scenario Analysis for Hectare Calculation**

Net and Gross Labour Demand – Take-Up Sensitivity	B1a	B1b	B1c	B2	B8	Total
Net Labour Demand	542	7331	5823	1230	9231	24157
Margin for Flexibility	3967		3428		7541	14936
Loss Replacement	1564		2196		486	4246
Total	13404		12677		17258	43338
(hectare equivalent)	3.4		3.2		4.3	10.8

Source: SPRU analysis of preceding tables

### c) Labour Supply

- 7.47 This section of the Report considers the Council's emerging evidence based for the housing needs of Telford & Wrekin and the implications for demographic and household change over the plan period within the Newport sub-area.
- 7.48 Before the introduction of the Standard Method, and under previous iterations of Planning Practice Guidance, it was conventional for assessments such as this to consider the link between housing and economic growth. This generally took the form of establishing likely future job growth and then testing what level of population growth (and hence household growth/housing need) would be required for the two to be aligned. Whilst this step is not necessary for the purposes of Standard Method, it is of interest to estimate what level of job growth the projections might support. It should also be noted that there was never any express reference to assessing the relationship between labour demand and supply at sub-area level.
- 7.49 The removal of an express link between labour demand and labour supply does not mean that preparation of Local Plans should not ignore labour market alignment altogether which may have soundness implications for the effectiveness of proposed strategic policies related to housing and economic development. This includes considerations relating to sustainable travel patterns and ensuring that inadequate housing supply does not constitute one potential barrier to investment ((NPPF2023 Paragraph 86(c)).
- 7.50 The background to this Study has noted particular baseline characteristics of the Newport functional area that underscore the importance of this relationship. These include that the proportion of the total population of Telford & Wrekin in the sub-area is high relative to total employment in the sub-area and that the sub-area exhibits high levels of out-commuting and

low self-containment. These observations are similar to the background to the 2013 Study<sup>20</sup> and while the sub-area has contributed to employment growth since the base-date of earlier work a strong trend of population growth locally has also been recorded.

- 7.51 The 2013 Study applied relatively simplistic assumptions to generate assumptions for future population change and growth in the resident labour force and economically active population through applying details of housing land supply at that time.
- 7.52 The Part One EHDNA provides comprehensive sub-area projections of population and household change that inform the starting point for the approach in this Report to ensure consistency with the wider evidence base. The sub-area projections are based upon what remain the latest official 2018-based subnational population projections for Telford & Wrekin and utilise small area data for births, deaths and population structure by age and sex to illustrate the proportion of total projected population and household change expected to occur in each sub-area with the total projected change consistent with the overall figure for the authority.
- 7.53 Details of projected population and household change (including a proposed improvement in household formation rates) for Newport are applied with relevant assumptions relating to economic activity rates (and unemployment) and commuting patterns. This generates a figure for total projected change in the resident labour force and number of jobs supported locally (based on persons working in Newport).
- 7.54 The number of jobs supported does not otherwise differentiate these between full-time or part-time roles. The jobs supported figure from within the sub-area projection has therefore been converted to a Full-Time Equivalent total consistent with the findings of this Study in terms of the calculation of land and floorspace needs.
- 7.55 The sub-area projection outputs essentially provide a residence-based estimate of the number of jobs supported as a result of population and household change. This does not assume that all employment change associated with this total would be generated by workers originating within the sub-area. This is a result of the application of an overall commuting ratio consistent with the 2011 Census (still generally regarded as the most robust available origin-destination data due to the effects of the pandemic upon the Census 2021).
- 7.56 The assessment of baseline characteristics for this Study indicates high totals of gross in-commuting and out-commuting flows due to relatively low residence-based containment for jobs and workers within the Newport functional area. The actual workers expected to provide for workplace-based employment will be drawn partly from neighbouring sub-areas and local authorities outside of Telford & Wrekin (equivalent to +282 persons). Notwithstanding whether the growth in the resident labour force supported within Newport broadly aligns to workplace-based assumptions for labour demand the actual availability of workers in relevant sectors will be partly dependent on the characteristics of population change (and relationship with levels of housing growth) achieved by surrounding geographies.
- 7.57 Where a defined level of employment growth is being tested the application of a consistent commuting ratio, as in the EHDNA, would have the effect that a higher level of increase in the economically active population would be required to provide a sufficient workforce for a given number of jobs. This is not a feature of the sub-area projections within the Part One EHDNA, which do not provide employment-led projections by sub-area although if this was modelled the effect for Newport would be a very large increase in absolute out-commuting due to the high overall commuting ratio (1.396).
- 7.58 Within the Part One EHDNA's outputs the effect of the constant ratio is to indicate an absolute increase in the number of net out commuters (+427 persons) relative to the fixed total

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<sup>20</sup> See Paragraphs 3.14 to 3.19

provided by projected change in the labour force (i.e., the total number of persons living in Newport, and working) (1,505 persons) (1,078<sup>21</sup> jobs supported in Newport).

- 7.59 This Study applies a sensitivity test whereby the total net additional projection for persons living in Newport, and working, is accounted for as an increase in the total number of persons working within Newport on a 1:1 basis (1,505 jobs supported). This results in no absolute change in the total for net commuting and thus generates an effective reduction on the 2011 commuting ratio.
- 7.60 The application of adjustments for unemployment and FTE jobs respectively translates the number of jobs supported to 892 and 1,245 under the 2011 Commuting Ratio and 1:1 sensitivity ratios. The calculation for both scenarios is shown in Table 38 below:

**Table 38. Analysis of Job Support Scenarios and Commuting Statistics**

	2020		2040 - 892 FTE jobs supported	2040 - 1245 FTE jobs supported
	People	% of Total Working in LA	People	People
Live and work in Newport (Functional Area)	1,246	28%	1663	2090
Home Workers	750	17%	1000	1000
No-Fixed Place	384	9%	512	512
In-Commute to Newport (Functional Area)	2,117	47%	2399	2399
Out-Commute from Newport (Functional Area)	3,895		4604	3895
Total Working in Newport (Functional Area)	4,496		5574	6001
Total living in Newport (Functional Area) (and working)	6,274		7779	7497
Net Commuting Outflow	1778		2205	1778
Commuting Ratio	1.396		1.396	1.249
Net Additional Living in Newport (and working)			1505	1505
Net Additional Working in Newport			1078	1505
Net Additional Out Commute			427	0

Source: Telford & Wrekin Part One EHDNA

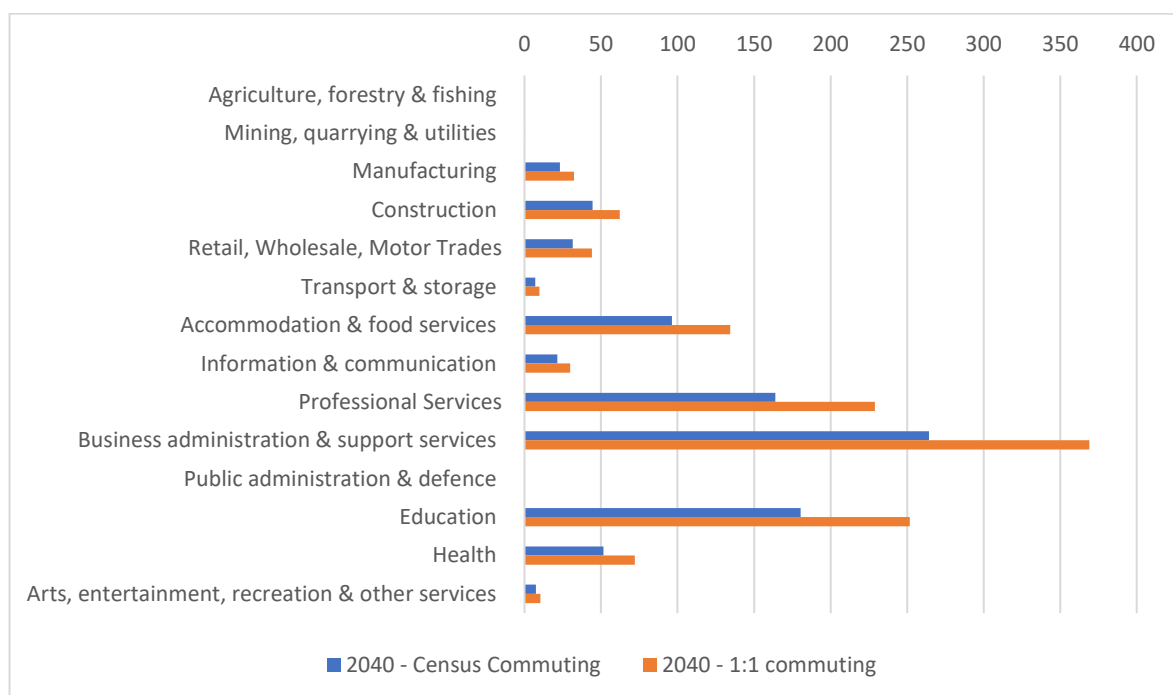
- 7.61 The workplace-based change in employment as a result of labour demand scenarios considered within this Study are therefore consistent with comparison with the Part One EHDNA's outputs for the total number of persons working in Newport. Neither set of scenarios implies that the net change in employment or jobs supported relates to activities undertaken by Newport residents only.
- 7.62 Highlighting this comparison it is relevant to note that labour demand and labour supply from the sub-area projections do compare relatively closely. The 1,222 FTE jobs generated from the Newport Labour Demand local growth scenario sites between the labour supply range for the number of jobs supported (892 – 1245 FTE).

<sup>21</sup> 1,505 – 709 + 282 persons in-commute from elsewhere = 1,078 using constant commuting ratio

- 7.63 This Study concludes that the 1:1 commuting ratio sensitivity test comprises the recommended output from the labour supply scenarios. It is also relevant to interpret this in the context of the inputs to the Newport sub-area population projections and their relationship with the context and potential options for the planning strategy and distribution of future planned growth to the Newport functional area.
- 7.64 The 2018-based subnational population projection scenario is equivalent to average annual dwelling growth of 1,524 dwellings for the period 2020-2040 (76 per annum) and population growth of 2,919 persons. This equates to approximately 8% of dwelling growth and 11% of total projected population growth from the overall projection for Telford & Wrekin over the same period. It is important to note that this comprises a demographic projection based on existing trends, including the recent population growth in Newport, and is not a 'policy-on' figure reflecting a particular strategy selected by the Council. There are three principal points relevant to this comparison:
- a) The distribution of the housing in the emerging Local Plan has yet to be finalised – we would, however, note 8% as represented by the projection appears broadly in-line with the range of options consulted upon;
  - b) Definition of the sub-area projection is applied tightly to the urban boundary of Newport – a smaller area than the functional definition for this Study; and
  - c) In practice there will be a contribution to population change within the rural parts of the Newport functional area that is not defined within the separate sub-area projection for the overall rural area
- 7.65 A separate sub-area projection for the rural area, which extends substantially beyond the Newport functional area, indicates negative population change for the period 2020-2040 (-2,919 persons) and an equivalent dwelling figure of -229 dwellings. However, this will not in practice necessarily represent a realistic (or sustainable) projected trend or the Council's proposed approach to distributing housing growth and nor will the effects of household and population change be spread evenly across the rural area. This does demonstrate, however, that some of the projected sub-area trend for Newport could in practice be reflected differently should growth be delivered in surrounding settlements within the Newport functional area.
- 7.66 Taking all of these factors into account it is considered that the Newport sub-area labour supply projection is a robust but relatively conservative assessment of provision for land and floorspace for economic development that might be supported based upon future population change. It is further the case that the 1:1 sensitivity scenario would represent a more sustainable and positively prepared approach to indicating future requirements based upon labour supply.
- 7.67 This Study concludes that the 1:1 ratio sensitivity test is useful to illustrate where assumptions for an absolute increase in levels of net out-commuting would arguably mean that other geographies (outside of the Newport functional area) would be providing jobs but not housing for people taking up those jobs. This would perpetuate existing commuting patterns. The 1:1 ratio is also considered useful in the context of COVID19 with the likelihood being that a greater proportion of people will work from home (or mainly from home) in the future. These observations are considered consistent with the findings of this Study.
- 7.68 The use of the 1:1 commuting ratio would appear to be reasonable given the relatively high levels of population change and jobs growth in the second part of the last decade and in the context that the Census 2021 does not provide a reliable review of changes in commuting patterns associated with these recent changes due to the pandemic. It should be noted that absolute levels of net commuting remain the same the gross outflow of commuters would remain 3,895 persons under the 1:1 scenario, indicating that there is still substantial scope for an increased level of employment growth provided locally to reduce journey distances.

- 7.69 Both labour supply scenarios are also dependent on an absolute increase in gross in-commuting flows of the same magnitude, which could be affected by levels of house-building elsewhere. In the case of Newport, given its relatively small labour market, this equates to only 282 of the total figure for jobs supported and appears very realistic given that the projected change in the labour is derived solely for the Newport urban area.
- 7.70 The number of jobs supported being potentially greater due to trends in home-working, reflected as a proxy in the 1:1 scenario, does not necessarily compare with evidence for labour demand within this study on a like-for-like basis. The FTE workplace-based estimate for labour supply generated by this Study has in all scenarios been calculated excluding the proportion of persons working from home based on 2011 Census data (17% from Table 38 above).
- 7.71 Where the number of jobs supported is increased by those working remotely (rather than an increase in the number living and working in Newport) it will not necessarily be the case that these roles will be fulfilling forecast changes in employment within the sub-area itself. This is consistent with no adjustment for home-working being applied to forecasts for labour demand in Newport given that existing levels were already relatively high in 2011.
- 7.72 The assessment of labour supply scenarios considers the total change in employment based on growth in the labour force from 2020. This is achieved by matching the labour demand profile of the Newport labour demand local growth scenario to the total number of jobs supported. Sectors showing a negative change in employment are excluded from the apportionment of the additional jobs supported. This is shown in Figure 13 below:

**Figure 13. Evaluation of Labour Supply Scenarios for Employment Growth**



Source: ONS; BRES data, Experian Forecasting; SPRU Analysis

- 7.73 This means that any net changes resulting in a reduction in employment levels from 2020 totals in other sectors, which may free up additional labour in addition to the jobs supported under the labour supply scenarios is not considered.
- 7.74 In practice the labour supply analysis produces indicative figures that are generally consistent with recent population and employment change in the wider Newport functional



area and are thus considered to provide a robust starting point in terms of assessing potential recommendations on the future provision of land and floorspace.

- 7.75 Table 39 below demonstrates the outputs from estimates of labour supply and total number of jobs supported as originating from within the Part One EHDNA sub-area population projection including 1:1 commuting sensitivity scenario.

**Table 39. Estimates of Labour Supply and Supported Jobs Projection**

2020-2040	All B Class	only B1a/B1b	B1c/B2	B8	Total
2040 - Census Commuting	2.6	1.1	1.0	0.6	2.6
2040 - 1:1 commuting	3.6	1.5	1.4	0.8	3.6

Source: SPRU Analysis of earlier tables

Source: The figures presented in Table 40 and SPRU Analysis of earlier tables

- 7.76 Table 41 reflect net labour supply land and floorspace needs and have been converted to gross totals using the separate assumptions for flexibility and loss replacement also applicable to labour demand scenarios. The same sensitivity test has also been modelled due to local characteristics of floorspace delivery.

**Table 40. Workplace Population Analysis and Labour Supply Projection**

Workplace Population - Sub-Area Projected Labour Supply	B1a	B1b	B1c	B2	B8	Total
Net Labour Supply	3612	2303	564	4933	3187	14599
Margin for Flexibility	3967		3428		7541	14936
Loss Replacement	1564		2196		486	4246
Total (sqm)	11446		11120		11214	33780
Total (hectare equivalent)	2.9		2.8		2.8	8.4

Source: SPRU Analysis of earlier tables

**Table 41. Workplace Population - Sensitivity Test**

Workplace Population - Sensitivity Test	B1a	B1b	B1c	B2	B8	Total
Net Labour Supply	543	7352	5840	1416	10630	25781
Margin for Flexibility	3967		3428		7541	14936
Loss Replacement	1564		2196		486	4246
Total	13426		12880		18657	44962
Total (hectare equivalent)	3.4		3.2		4.7	11.2

Source: SPRU Analysis of earlier tables

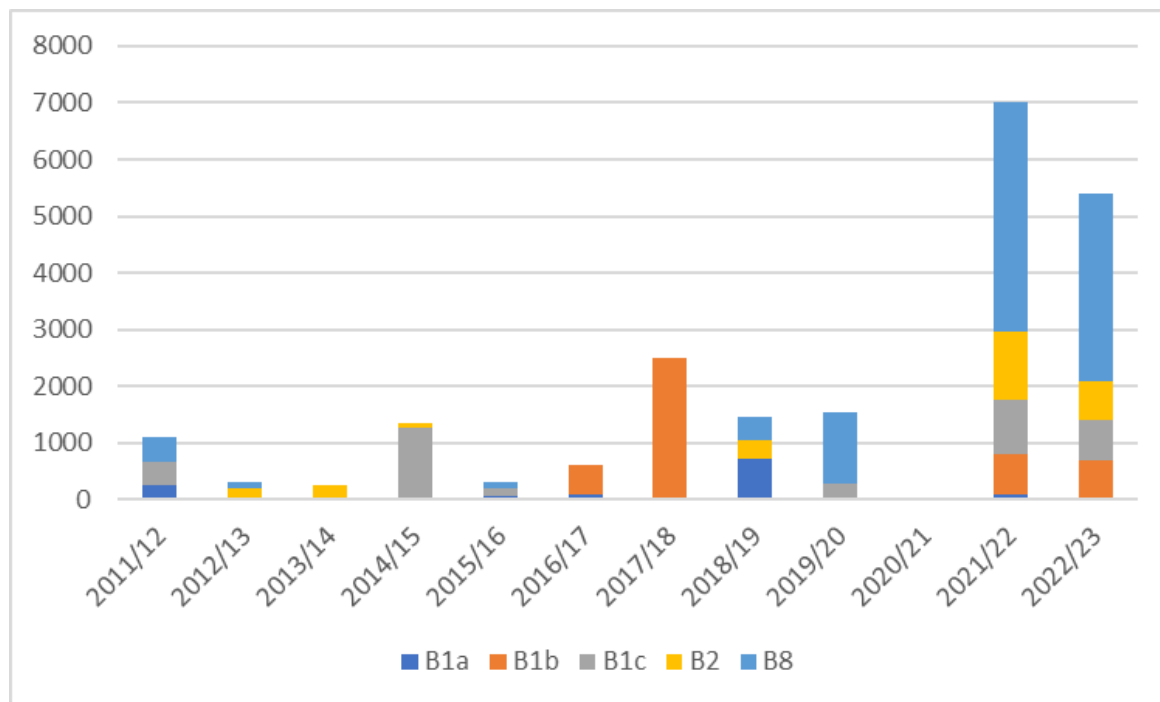
- 7.77 These outputs, when compared to evidence of labour demand, indicate that the number of jobs supported by projected population and household change would not appear to act as an impediment to supporting market signals for economic development. Labour supply scenarios considered by this Study indicate no likely significant adverse effect on commuting trends and relationship between jobs and homes.

#### d) Employment Land Completions and Take-Up

- 7.78 The Part One EHDNA undertook analysis of future needs for land and floorspace based upon past take-up trends for the period 2011-2019 and identified a total for Telford & Wrekin of 135.9ha between 2020 and 2040 (excluding MOD Donnington). The same data, matched to the Newport Functional Area, comprise the starting point for this Study. Further data have been added to reflect gross completion of land and floorspace in the Newport Functional

Area based on Council AMR data and draft totals for the most recent monitoring year (2022/23). The corresponds to a 1 April 2023 base-date for recommendations on future needs for land and floorspace in this Report. Total gross completions recorded by Use Class are shown in Figure 14 below:

**Figure 14. Past Trends - Gross Completions by Use Class (Newport Study Area) (sqm)**



Source: SPRU Analysis of LPA Monitoring Data

- 7.79 The data illustrate a substantial increase in development activity since 2017/18. No completions were recorded in 2020/21, which is potentially a both function of the effect of the Coronavirus pandemic upon the property market and the physical monitoring of completions. A more recent six-year period (2017-2023) is considered most representative of current market signals and demand for floorspace rather than a longer 2011-2023 period or the 2011-2019 period from the Part One EHDNA. The outputs of take-up trends within this Study should therefore be considered separate from (i.e., not a component part of the total) the figures generated in the Part One EHDNA.
- 7.80 Calculation of take-up trends inclusive of the period to 2022/23 includes the delivery of Phase 1 and Phase 2b at Ni-Park. It is considered reasonable to include these totals as part of take-up trends as they are likely to reflect a response to longer-term pent-up demand and reflect a significant shift in the operation of the property market. Together these phases correspond to around 6,900sqm – equivalent to around 69% of completions recorded in 2021/22 and 2022/23 or 38% of the 2017-2023 total. The development at Ni-Park is therefore part of a wider change in take-up trends. The other principal drivers of floorspace delivery since 2017 reflect floorspace within the wider Functional Area including 2,500sqm of Office floorspace at Harper Adams University.
- 7.81 There has been a significant increase in storage and industrial floorspace created as part of rural enterprise with yardspace and small-scale buildings delivered at surrounding settlements such as Howle and Woodcote. It is considered important to capture these trends as a potential response to the loss of industrial floorspace in Newport itself.
- 7.82 Table 42 below illustrates annual gross completions of industrial and office since 2011 together with calculating these as a proportion of the most recently recorded (2022) sub-area

stock. The general 'rule of thumb' is that 1% gross change in stock per annum corresponds to a well-functioning property market, but this is unlikely to be representative of the more narrowly defined Newport Functional Area. Gross delivery as a proportion of stock has in fact run substantially in excess of this benchmark, generally corresponding to the recent positive change in Office and Research & Development floorspace and more stable trends in total industrial floorspace supported by delivery beyond the main urban area.

**Table 42. Employment Land Completions and Take-Up in the Newport Functional Area**

Gross Completions	Industrial Floorspace (sqm)	Office Floorspace (sqm)
2011/12	856	241
2012/13	300	-
2013/14	255	-
2014/15	1,339	-
2015/16	254	66
2016/17	-	600
2017/18	-	2,503
2018/19	733	732
2019/20	1,529	18
2020/21	-	-
2021/22	6,210	810
2022/23	4,691	697
<b>Grand Total</b>	<b>16,167</b>	<b>5,667</b>
Per Annum	1,347	472
2019 Stock	37,000	8,000
<b>Percentage Growth per Annum</b>	<b>3.64%</b>	<b>5.90%</b>

Source: Council Monitoring Data

- 7.83 The change as a proportion of stock indicator should be treated with some caution as the VOA data will not necessarily capture all floorspace and an element of both existing and recently delivered total will be below rateable values. Nevertheless, it should also be noted that the take-up trends reported for completions data are gross totals. This excludes the effect of demolitions or loss of other land and floorspace to non-B employment uses. The contextual analysis in this Report has identified that within Newport itself this includes pressure for other activities within established industrial areas including trade counters, other non-B employment generating uses and housing. Gross take-up trends as a proportion of total VOA stock are therefore also partly a function of a higher rate of turnover and recycling and redevelopment of floorspace. This would serve to reduce the overall total positive net change recorded and may be a necessary component of maintaining a stable total in terms of overall floorspace.
- 7.84 The following Table 43 provided for a 20-year forecast demand for land and floorspace calculated from take-up trends for the period 2017-2023, inclusive of delivery at Ni-Park. The proportion of forecast demand within Use Class B8 in increased due to the inclusion of a limited number of schemes primarily in the rural area provided for open storage and yardspace.

**Table 43. 20-Year Forecast Demand for Land and Floorspace**

Grand Total	B1a/b	B1c/B2	B8	Total
Annual Average 2017-2023	793	686	1,508	2,987
20-Year Total	15,867	13,713	30,163	59,743
Land Area	<b>4.0</b>	<b>3.4</b>	<b>7.5</b>	<b>14.9</b>
2yr margin	0.4	0.3	0.8	1.5
5yr margin	1.0	0.9	1.9	3.7

Source: Council Monitoring Data, SPRU analysis

- 7.85 Calculation of a 20-year total is a conventional approach to illustrating future needs for land and floorspace and also used to generate margins for flexibility (typically based on between two to five years of past take-up as shown above).
- 7.86 For the purposes of this Study, it is important that the totals for a 2020-2040 do not 'double-count' the effect of completions at Ni-Park as a significant component part of the recent increase in take-up. An alternative 20-year total, inclusive of completions since 2020/21 with the take-up trend forecast over the remaining 17 years of the plan period, is shown in Table 44:

**Table 44. Alternative 20-Year Demand Forecast for Land and Floorspace**

Grand Total	B1a/b	B1c/B2	B8	Total
Annual Average 2017-2023	793	686	1,508	2,987
2023-2040	13,487	11,656	25,639	50,782
Completions 2020/21 to 2022/23	1,507	3,554	7,347	12,408
20-Year Total	14,994	15,210	32,986	63,190
Land Area	<b>3.7</b>	<b>3.8</b>	<b>8.2</b>	<b>15.8</b>

Source: SPRU analysis

- 7.87 The calculation of future needs for land and floorspace based upon take-up trends is a relatively more simple measure of quantitative needs. Past trends provide a potentially less detailed indicator of qualitative needs for land and floorspace by sector as generated from evidence of labour demand and labour supply. Past take-up trends are not necessarily illustrative that locational patterns of delivery or the total split of floorspace by Use Class would be expected to continue into the future. It is also the case that take-up trends only comprise a snapshot in time. The pace of delivery of the remaining land and floorspace at Ni-Park could for example substantially affect any take-up trend calculated in the future.
- 7.88 Nevertheless, the calculation based on the 2017-2023 total forecast for the remaining 17 years of the period to 2040 does appear to reflect a robust measure of current market demand and wider market signals, arising primarily from the period capturing a step-change in the scale of recent delivery.
- 7.89 Given that the delivery of Ni-Park is a strategically significant scheme in the context of the Study Area and the local property market it would be overly crude to interpret the take-up scenario as supporting the remainder of the allocation being delivered to meet the majority of the residual take-up trend and the remainder of demand being met at locations away from the urban area.
- Firstly, the recent take-up represents a concentration of delivery from the B-Use elements of the scheme in the early phases of delivery that it might not be reasonable to forecast in the longer-term across a residual 17-year period.
  - Secondly, and conversely, the allocation will not necessarily achieve the total delivery

of B-Use floorspace anticipated under the Outline consent – noting for example the provision of trade counter and education uses as part of the most recent Reserved Matters approvals – indicating a reduced overall contribution to the supply/demand balance.

- Thirdly, the gross take-up trend is a composite including the recent take-up of Ni-Park and a deficit arises against the take-up trend when the residual capacity of the allocation is accounted for.
- Finally, given that the balance of the take-up trend excluding Ni-Park is generated outside the Newport urban area over a longer period of time and dispersed locations for delivery the take-up trend raises qualitative plan-making considerations regarding the relative benefits of sustaining this pattern of development or supporting opportunities to further concentrate the delivery of land and floorspace at Newport.



## 8.0 SUPPLY / DEMAND BALANCE AND RECOMMENDATIONS

- 8.1 The outputs from the preceding sections of the report address approaches to identify future needs for land and floorspace in the Study Area. These provide the starting point to support qualitative and quantitative recommendations surrounding additional supply that would support economic development in Newport.
- 8.2 The outputs have been prepared to support recommendations from a base-date of 1 April 2023. This seeks to align as closely as possible the provision of additional land and floorspace to address future needs for the remainder of the 2020-2040 proposed Plan Period. To further inform the Study's recommendations it is necessary to consider the current details of supply at 1 April 2023. This is to identify what additional provision of land and floorspace could be required to support the provision of land and floorspace consistent with the findings on need – otherwise referred to as the 'supply/demand' balance.
- 8.3 The first sub-section of this section illustrates details for assumptions on supply. The second section compares this with the position in 2013 when the evidence base for the current Local Plan was prepared. The third section illustrates the overall supply demand balance. The final part of this section provides further qualitative and quantitative recommendations.

### a) Assumptions for the Supply Pipeline

#### i) *Update on Delivery and Applications at Ni-Park*

- 8.4 The Newport Innovation Park (Ni-Park) comprises the principal location to support economic development in Newport and reflects the plan-led approach under the current Local Plan. The overarching analysis set out in this Report illustrates the importance of this scheme in the wider context of pressure upon existing employment areas in Newport itself and market signals of increasing labour demand.
- 8.5 The analysis of take-up trends in this Report records Phase 1 and Phase 2 (Plot 2) within completions recorded to 2022/23. Net of these schemes the Ni-Park location comprises a potential commitment of employment floorspace of approximately 31,850sqm from the total of 38,720sqm originally approved.
- 8.6 It would not be reasonable to attribute this residual total to the supply/demand balance at 1 April 2023. It is necessary to take account of other application activity at the site relevant to the completion of this Study and to consider the characteristics for delivery of the Outline permission.
- 8.7 Table 45 sets out relevant applications at the date of finalising this Study:

**Table 45. Summary of Current Planning Applications**

Phase and Application Ref	Description	Site Area	Floorspace
Phase 1 TWC/2018/0568	Full planning application for the construction of 24no. business, general industrial and warehouse and distribution units (Use Classes B1(b), B1(c), B2 and B8) along with associated 2no. accesses and internal spine road, parking provision and landscaping	1.5ha approx.	4080sqm
Phase 2 Plot 2 TWC/2022/0275	Reserved matters application for the erection of 3no. industrial units with ancillary office space, associated car parking and landscape areas in pursuant to planning application TWC/2019/0723 including appearance, landscaping, layout and scale	1.5ha	2788sqm

Phase 2 TWC/2022/0070	Erection of 2no buildings for workshop, storage, office, agricultural retail with external display of agricultural machinery	0.61ha	1219sqm <sup>22</sup>
Phase 3 TWC/2023/0866	Erection of 1no. unit for use as an institute of animal diagnostics and health facility (Use Class F1) and associated works	0.8ha	1440sqm
Phase 2 Remainder / Residual	TBC	5.59ha	29,193sqm pursuant to Outline PP 22,360sqm at 0.4 Plot Ratio

Source: Council Monitoring Data

- 8.8 A more detailed breakdown reflects only around 5.6ha of the site not yet subject to detailed applications for planning permission. The important role of the site has been broadened to include functions related to Harper Adams University (TWC/2023/0866) and agricultural machinery both consistent with the activities of the wider Agri-Tech sector.
- 8.9 Including the Class F1 education floorspace (which includes some provision for research and disk space) the total of around 9,500sqm on 4.4ha of the site is equivalent to a plot ratio of 0.2. If the remainder of the site area was delivered at this plot ratio around 12,000sqm of further floorspace might be anticipated.
- 8.10 It is reasonable to assume that the plot ratio of future phases will increase (reflecting the delivery of site infrastructure and spine roads etc.) but these wider characteristics of demand and delivery at the site indicate that total floorspace provided on-site is unlikely to equate to the total granted Outline Planning Permission. The figure of 22,360sqm is generated should the residual site area deliver floorspace at a typical plot ratio of 0.4.
- 8.11 Table 46 provides supply scenarios reflecting the assumptions above, with residual floorspace apportioned to the breakdown by Use Class B1b/B1c/B2/B8 approved under the Outline Planning Permission. The recommendations for this Study adopt a mid-point for the supply assumed from the residual 5.6ha of the allocation under a plot ratio of 0.3. This assumes that the remainder of the site will deliver a significant volume of conventional floorspace for economic development at a plot ratio in excess of that achieved currently but with some flexibility for further non-B employment generating uses that might be supported. This is equivalent to 16,770sqm.

**Table 46. Supply Assumptions for the Remainder of the Ni-Park Allocation**

Scenario	B1b	B1c	B2	B8	Total
Plot Ratio 0.4	4193	5590	5590	6988	22360
Plot Ratio 0.3	3144	4193	4193	5241	16770
Plot Ratio 0.21 - current build-out	2264	3019	3019	3774	12076

#### ii) Other Sources of Committed and Windfall Supply

- 8.12 Application reference TWC/2022/0070 (Ni-Park Phase 2) was under construction at 1 April 2023 and comprises separate committed floorspace additional to the remainder of the Ni-Park allocation calculated in the previous section.
- 8.13 This Report has identified an upturn in the take-up of land and floorspace since 2017. This

<sup>22</sup> Floorspace applied for pursuant to OPP 245sqm Class E(a), 112sqm Class E(g), 448sqm Class B2 and 412sqm Class B8 under construction at 1 April 2023

primarily relates to development activity outside of the Newport urban area. The nature of these generally dispersed schemes within the wider functional area does not translate to provide a long-term pipeline of further committed development to address residual needs for the 2023-2040 period.

- 8.14 Table 47 provides a summary of applications provided by the Council used to inform the assumption for other sources of committed land and floorspace.

**Table 47. Summary of Planning Applications for Committed Land and Floorspace Sources**

Application Ref	Description	Gross Gain B-Use	Gross Gain Non-B / Sui Generis / PD
TWC/2022/0070	Erection of 2no buildings for workshop, storage, office, agricultural retail with external display of agricultural machinery	1219sqm <sup>23</sup>	N/A
TWC/2023/0394	Prior approval application for the erection of a livestock and feed store building	N/A	311sqm
TWC/2023/0773	Erection of a building to provide storage and office space, along with associated ground works, infrastructure, and landscaping	1,758sqm	905sqm
TWC/2023/0784	Erection of a replacement agricultural milking parlour and dairy building	N/A	3,192sqm
TWC/2023/0293	Application for prior notification of agricultural development for a proposed farm workshop and storage shed	N/A	114sqm
TWC/2023/0595	Application for prior notification of agricultural development for the erection of 1no. agricultural building	N/A	979sqm
TWC/2024/0005	Conversion of existing learning and non-residential institutions (Use Class F1) to residential accommodation and ground floor commercial unit (sui generis) and erection of a first floor infill extension to the rear (Full Planning Application)	N/A	684sqm
TWC/2023/0902	Conversion of existing student accommodation to 2no. ground floor commercial units and first and second floor student accommodation (Full Planning Application)	N/A	522sqm
TWC/2020/0082	Installation of hand car wash including canopy and porta cabin	N/A	52sqm

Source: Council Monitoring Data

- 8.15 Application activity records very limited examples of schemes providing additional conventional B-Use floorspace. While these may contribute towards quantitative needs it should be noted that in many cases these uses within established agricultural holdings may not generate floorspace available to the wider market.
- 8.16 This section also records several applications providing floorspace under Permitted Development Rights for agriculture. These do not contribute to needs identified in this Study

<sup>23</sup> Floorspace applied for pursuant to OPP 245sqm Class E(a), 112sqm Class E(g), 448sqm Class B2 and 412sqm Class B8 under construction at 1 April 2023

although recent patterns of development activity indicate that such floorspace may be subject to future applications for Change of Use to serve conventional B-Use commercial activities. Having considered these patterns of committed development this Study does not recommend the inclusion of a 'windfall allowance' for the future supply of land and floorspace to contribute towards residual needs under the supply/demand' balance within the wider Newport Functional Area though it is recommended that the Council undertakes specific monitoring within this boundary.

- 8.17 Within Newport itself, as of 1 April 2023, there are no further commitments recorded generating a gross gain or loss of conventional B-Use employment floorspace. However, trends in non-B employment generating uses should continue to be monitored including changes in the use of retail premises (where subject to applications for planning permission) and the introduction of other *Sui Generis* uses such as car washes. The development trends may over the course of the plan period result in further pressure on land uses within existing industrial areas.
- 8.18 Table 48 below summarises the B-Use pipeline of land and floorspace applicable to the supply/demand balance:

**Table 48. Summary of B-Use Pipeline for Committed Land and Floorspace**

Committed Floorspace (sqm)	B1a	B1b	B1c	B2	B8	Total
Applications at 1 April 2023	1599.3	112	0	448	818	2977.3
Ni-Park Remainder		3144	4193	4193	5241	16770
Total	1599	3256	4193	4641	6059	19747

Source: SPRU analysis

#### b) Comparisons with the 2013 Study

- 8.19 It is relevant to summarise findings from the 2013 Study in respect of its overall assumptions for supply and demand for employment. This is in order to acknowledge changes since preparation of the pre-existing evidence base and justification for the allocation of 10 hectares of land in the current development plan.
- 8.20 The 2013 Study did not undertake the calculation of an overall supply/demand balance and does not provide a detailed review of planning application activity relevant to the preparation of this Report. Recommendations for the future provision of land and floorspace equivalent to c. 8-9 hectares are presented as a gross additional total, with no accounting for contributions from existing supply. This effectively assumes nil-net change within existing stock.
- 8.21 However, the background to the 2013 Study presents the wider context of significant proposed and recently implemented or approved gross changes (gain and loss) of land and floorspace including the reconfiguration of existing stock. While the 2013 Study did not identify any extant deliverable allocations for employment land at the time of its preparation the assumptions for gross gains and losses did reflect assumptions that allocated supply could in-part be re-provided as part of application proposals elsewhere in the Strategic Employment Area.
- 8.22 Total gross gains and losses identified in the 2013 Study are summarised in Table 49 below:

**Table 49. Summary of Gross Gains and Losses Identified in the 2013 Study**

	Gross Gain	Gross Loss	Discounted	Notes for this Report
Station Road 2011 Application proposals (TWC/2011/0871)	4.5			Not expected to occur albeit this negates one potential route to qualitative enhancement of the portfolio
Audley Enterprise Park		-3.5		Not expected to occur
Local Plan 2000 Policy E2			-3.05	Local Plan Policy superseded. Site E27 / Ni-Park allocated in the current Local Plan provides a precedent of recent strategic allocations providing an alternative source of capacity for new land and floorspace
Audley Avenue		-2.2		Already occurred. Impact on change in land and floorspace within the study period partly offset by completions elsewhere
Parkland House	0.836	-0.336		Alternative scheme implemented for residential development. Impact on change in land and floorspace within the study period partly offset by completions elsewhere
South of Newport Mills (W92/0485)			-2.3	Site remains concluded as undeliverable. Site E27 / Ni-Park allocated in the current Local Plan provides a precedent of recent strategic allocations providing an alternative source of capacity for new land and floorspace
<b>Total</b>	<b>5.336</b>	<b>-6.036</b>	<b>-5.35</b>	

Source: *Newport Employment Report 2013*

- 8.23 The background to more substantial gross changes (gains and losses) to the stock of allocated land and existing floorspace is not carried forward into this Study for the reasons summarised in the 'Notes' column of the above table. This is relevant to interpreting the supply/demand balance and particularly where the delivery of the remainder of the Ni-Park allocation must be viewed in a more isolated context to other changes in the portfolio of employment land. This is very different to 2013 where no extant allocations were expected to contribute to supply.
- 8.24 It remains relevant and consistent with the 2013 Study not to anticipate a requirement for specific additional provision to achieve replacement of 'known' future losses. The findings for future demand for land and floorspace could therefore be considered a minimum without any allowance for the replacement of expected future losses.
- 8.25 However, the absence of forecast gross changes within the wider portfolio of land and floorspace means that other potential qualitative enhancements to the characteristics of provision for economic development do not form part of future expected trends.



- 8.26 This is a significant change from the background to the 2013 Study and the remainder of the SEA outside of Ni-Park. The pre-existing evidence base, and by extension the position in the current Local Plan did not look to quantify the effect of net changes to land and floorspace within the remainder of the SEA as part of an overall supply/demand balance. However, there was an expectation of future changes arising from the 2011 St Modwen proposals located upon the western element of the existing SEA boundary. An overall net loss of -2.05ha (illustrated by the top 3 rows of Table 49 above) was nonetheless expected to be representative of providing deliverable capacity for economic development (as a substitute for Site E2) and qualitative improvements to the offer of the employment land portfolio at Audley Enterprise Park.
- 8.27 None of these changes are now expected to take place as part of the assumptions within this Study. In these circumstances it would be appropriate to redefine the boundaries of the Strategic Employment Area in Newport to exclude areas of undeveloped and unallocated land i.e., the western portion of the designation boundary.
- 8.28 In terms of wider implications for the supply/demand balance this means that should any future redevelopment or reconfiguration of existing premises be anticipated it is reasonable to conclude that this would entail a need for additional land and floorspace beyond the recommendations of this Report. In simple terms re-provision of space such as that at the Audley Enterprise Park would now be likely to require additional land outside of the SEA boundary and thus could increase the total figure for land that the Council may seek to allocate.

**c) Overall Supply/Demand Balance**

- 8.29 The inputs from the sub-sections above enable calculation of the supply/demand balance for the different approaches used to assess future needs for land and floorspace based on past take-up, labour demand and labour supply.

**i) Past Take-Up**

- 8.30 Table 50 below shows a gross residual requirement to identify a minimum 7.8 hectares of land within the Newport functional area based upon gross take-up trends.
- 8.31 As set out in the assumptions for this scenario the requirement is calculated for the remaining 17 years based on take-up to 2022/23. Assuming that provision is made for the residual requirement the addition of completions for the period 2020/21 to 2022/23 is used to generate the 2020-2040 of 15.8 hectares under this scenario.

**Table 50. Residual Land Requirement and Supply Analysis**

Take-Up 2023-2040 (sqm)	B1a/b	B1c/B2	B8	Total
Gross Residual Requirement 2023-2040	13487	11656	25639	50782
Supply Ni-Park	3144	8385	5241	16770
Other Sources of Supply	1711	448	818	2977
Residual Requirement 2023-2040	8631	2823	19580	31035
<b>Residual 2023-40 hectare equivalent</b>	<b>2.2</b>	<b>0.7</b>	<b>4.9</b>	<b>7.8</b>
Plus completions 2020-2023	1507	3554	7347	12408
<b>Total (ha equivalent) 2020-2040</b>	<b>3.7</b>	<b>3.8</b>	<b>8.2</b>	<b>15.8</b>

Source: SPRU analysis

ii) **Labour Demand**

- 8.32 The requirements for land and floorspace under this scenario provide a gross total for the period 2020-2040. It is not considered reasonable to deduct completions from Ni-Park between 2020/21 and 2022/23 from this scenario due to specific provision for the Agri-Tech sector that will not be captured in the overarching forecast assumptions.
- 8.33 Completions from other sources of supply arising in the year to 2022/23 are deducted from the gross totals for this scenario. This results in a minimum requirement of around 4.5 hectares of additional land and floorspace.

**Table 51. Residual Land and Floorspace Requirement Analysis with Sensitivity Test**

Labour Demand 2020-2040 (with sensitivity test)	B1a/b	B1c/B2	B8	Total
Gross Requirement 2020-2040	13404	12677	17258	43339
Completions excl Ni-Park 2020-2023	90	0	5450	5540
Supply Ni-Park at 1 April 2023	3144	8385	5241	16770
Other Sources of Supply at 1 April 2023	1711	448	818	2977
Residual Requirement 2023-2040	8458	3844	5749	18052
<b>Residual 2023-40 hectare equivalent</b>	<b>2.1</b>	<b>1.0</b>	<b>1.4</b>	<b>4.5</b>

Source: SPRU analysis

iii) **Labour Supply**

- 8.34 The requirements for land and floorspace under this scenario provide a gross total for the period 2020-2040 based upon sub-area projections produced for the Part One EHDNA. It is not considered reasonable to deduct completions from Ni-Park between 2020/21 and 2022/23 from this scenario due to specific provision for the Agri-Tech sector not captured in the local Growth Scenario used to convert labour supply to land and floorspace.
- 8.35 Completions from other sources of supply arising in the year to 2022/23 are deducted from the gross totals for this scenario. This results in a minimum requirement of around 4.9 hectares of additional land and floorspace.

**Table 52. Residual Land and Floorspace Requirement Analysis with Sensitivity Test**

Labour Demand 2020-2040 (including sensitivity test)	B1a/b	B1c/B2	B8	Total
Gross Requirement 2020-2040	13426	12880	18657	44963
Completions excl Ni-Park 2020-2023	90	0	5450	5540
Supply Ni-Park at 1 April 2023	3144	8385	5241	16770
Other Sources of Supply at 1 April 2023	1711	448	818	2977
Residual Requirement 2023-2040	8480	4047	7148	19676
<b>Residual 2023-40 hectare equivalent</b>	<b>2.1</b>	<b>1.0</b>	<b>1.8</b>	<b>4.9</b>

Source: SPRU analysis

## 9.0 SUMMARY AND RECOMMENDATIONS

- 9.1 This Study has provided a detailed update on the context for economic development in Newport and supports the conclusion that there are strong reasons for maintaining a robust supply of land for these use in the Study Area. This Study aims to provide a finer-grained understanding of considerations for economic development in Newport to take forward the evidence base for the adopted development plan and the existing land allocations presently being delivered. The Study supports the definition of a broader range of objectives for economic development in Newport, building on the existing context. The role of Harper Adams University and the delivery of Ni-Park since its allocation appear closely aligned to potential drivers of economic growth in the Study Area.
- 9.2 The delivery of objectives for economic growth in Newport has the potential to increase levels of self-containment within the resident labour force but the Study Area also demonstrates strength in key emerging sectors that are likely to enhance its links with the wider area. Enhancing and retaining the skills profile of the resident population is likely to be a factor in sustaining output and enhancing opportunities for growth in new and existing sectors.
- 9.3 The findings of the supply/demand balance for this Report indicate that a minimum **4.5 to 7.8 hectares** is likely to be required for the remainder of the period 2020-2040 taking account evidence of labour demand, future projected changes in labour supply and recent take-up at Ni-Park and within the wider functional area. It is recommended that this is the starting point for the identification of additional land to support economic development in Newport.
- 9.4 The scenarios produce similar, albeit slightly greater, indicators of demand for land and floorspace when compared with the findings of the pre-existing evidence base on a like-for-like basis.
- 9.5 Notwithstanding anticipated gross gains and losses of land and floorspace the previous 2013 Study adopted a net-nil change position in relation to the remainder of the portfolio and did not take into account any existing sources of supply. The gross needs identified by the 2013 Study (between 8 and 9 hectares) should be compared to totals of between **15.8 hectares and 10.8 hectares** in this Report. However, the recent and ongoing delivery of land and floorspace as part of the strategic allocation at Ni-Park reflects a significantly different backdrop in terms of existing sources of potential supply towards needs.
- 9.6 Within the context of wider demand and market signals supply is generally tight and restricted to the balance of the strategic allocation at Ni-Park together with a more limited opportunity to increase economic activity in the rural area. Harper Adams University performs an increasingly important economic role in terms of supporting jobs growth in sectors beyond its main education function including the provision for conventional employment uses (including Offices and Research & Development) at its campus outside of Newport. However, there are no current proposals to increase the supply of land and floorspace for these uses or to meet wider demand at the site itself and the educational and economic ambitions of the University are also in-part dependent on the take-up of new premises at Ni-Park. Recognition of these links is an important change in circumstances further to preparation of the pre-existing evidence base and development plan.
- 9.7 Attention is therefore required in relation to the qualitative characteristics of land within the spatial allocation of **site ref. E27** and how it is delivered in the context of wider demand. The allocation is meeting a wider pattern of demand. Potential reconfigurations of existing stock resulting in qualitative or quantitative gains are now not anticipated within the assumptions for the supply/demand balance in this Study. These continued needs for land and floorspace are likely to contribute to demand at Ni-Park but will otherwise require further allocation of land outside the existing urban area. The Study supports the **redefinition of the existing Strategic Employment Area boundaries** to areas comprising existing land and floorspace

together with the current allocation of Site Ref E27.

- 9.8 The needs of **Agri-Tech sector** are not easily captured in labour demand and supply assumptions. As per the existing Local Plan it would not automatically follow that any additional land to be allocated should be safeguarded for these uses, but taking account of the specific delivery model at Ni-Park that has provided specific benefits for this sector it would be reasonable to anticipate it provides a reduced contribution to general needs (including those identified by this Study) going forward. This would be consistent with a pragmatic approach to the residual supply of land and floorspace at Ni-Park with some scope for its ongoing safeguarding for the Agri-Tech sector in the immediate term.
- 9.9 A broad definition of opportunities to support employment generating, compatible with the prevailing characteristic of conventional economic development (Use Class E(g)/B2/B8) that the Council should seek to establish on any additional land identified to meet needs for these uses, is recommended. There is likely to be further pressure for activities such as trade counters, wholesale and other professional services consistent with Newport's wider role but sitting outside of conventional employment floorspace. While other policy regimes apply to control the provision of out-of-centre convenience and comparison Retail uses some flexibility in policy provision for other activities would be a reasonable response to addressing likely patterns of enquiries and demand for take-up on any new supply for economic development that is identified.
- 9.10 In terms of the quantitative needs for land and floorspace there is scope for flexibility in applying the Study's recommendations. Balancing quantitative and qualitative considerations including support for the emerging Agri-Tech sector the minimum provision of an additional **7.8 hectares** using the past take-up scenario would appear the most reasonable starting point. This has the advantage of most closely reflecting the characteristics for delivery at Ni-Park within the findings for need and supply. The contribution of the early phases of delivery is captured in the quantification of need whilst being partly satisfied by the estimates for residual capacity of the allocation, which would support the continued short-term safeguarding for specific Agri-Tech uses consistent with those already provided on-site.
- 9.11 Notwithstanding a wider upturn in overall delivery in the Study Area since 2017 it should nevertheless be stated that the pre-existing portfolio of land and floorspace, as identified in the 2013 Study, indicates pressure on land uses for economic development. This findings of this Study indicate that this has persisted, resulting in pressure on the availability of land and floorspace to meet general needs. The assumptions for supply and demand in this Study further make no provision for large scale loss replacement or reconfiguration of existing premises. Stakeholders have indicated this is likely to remain a constraint to opportunities for economic growth and contributes to the property and labour market in Newport remaining relatively distinct and limited compared to Telford & Wrekin as a whole.
- 9.12 The outputs of the take-up trend excluding Ni-Park could therefore still be regarded as an underestimate of the unconstrained potential for delivery. The difference between potentially constrained and unconstrained trends cannot be specified with ease. The gross take-up measurement used in this Study excludes negative changes to supply (for example losses of employment floorspace and the equivalent floorspace 'lost' for changes within B-Uses) and as a result it is typically not necessary to include additional allowances for flexibility or loss replacement nor provision to increase the margin for vacancy locally. While it would be to some extent inconsistent with the inclusion of Ni-Park in total gross trends there is also the option of excluding the residual capacity of the site from supply assumptions dependent on the extent of policy support for safeguarding for Agri-Tech uses.
- 9.13 Adjustment of any of these variables would result in a different total to the minimum recommendation of 7.8 hectares. Balancing the different considerations it is reasonable to consider that an uplift of 50% (**7.8 + 3.9 = 11.7 hectares**) would be consistent with positive

support for economic development in Newport.

- 9.14 Finally, it should be noted that there is no express requirement for 'sub-area' assessments of need for economic development as provided by this Study, which has its origins in the positive approach to plan-making for Newport in previous iterations of the development plan. The allocation of land and floorspace in excess of the recommendations of this Study should not be considered, by definition, 'unsustainable'. It is reasonable to conclude that the provision of land and floorspace in excess of these recommendations could assist with strengthening the sub areas links to its surroundings in Telford & Wrekin and wider geographies.
- 9.15 The findings of this Study do not represent a constituent part of the sum of total needs for land and floorspace in Telford & Wrekin and thus should not be compared on a like-for-like basis as a proportion of any local authority total. The local planning authority should have discretion to evaluate provision towards total needs, and the recommendations of this Study, in demonstrating how its approach to plan-making makes sustainable provision for different requirements for economic development.



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