

Matter 2 Hearing Statement

Employment provision for the proposed garden communities

401 words, Inspector; 938 CAUSE

<u>Issues</u>

Are the employment land requirements for the three proposed GCs, set out in the NEAs' suggested amendments to policies SP7, SP8, SP9 & SP10, supported by robust evidence, and are they consistent with the requirements of policy SP4?

No. We have set out reasons in our consultation response and further in answers below.

Questions for the North Essex Authorities

1. What criteria were used to select the comparator locations identified on p55 of Cebr's Economic Vision and Strategy for the North Essex Sub-Region [EXD/052]?

2. (a) Were the employment figures for each GC shown in Table 4 of Employment Provision for the North Essex Garden Communities (August 2019) [EB/081] calculated in the following way:

Reference case: The employment figure was assumed to be the same as the number of dwellings at each GC;

Investment-led scenario: (i) The population of each GC was calculated by multiplying the number of dwellings by the ONS household size figure (as per para 2.6 of EB/081); (ii) The population figure resulting from (i) was multiplied by 43.5/100 (para 2.4 of EB/081) to produce the employment figure?

(b) If not, what calculation method(s) were used?

3. (a) Are the employment figures for the West of Braintree GC shown in Table 4 of EB/081 based on a cross-boundary GC, including an area within Uttlesford District?

(b) What would the figures be if they were based on the West of Braintree GC as proposed in the Section 1 Plan, with a maximum of 10,000 dwellings?

4. How do the employment figures for the GCs shown in Table 4 of EB/081 relate to the annual jobs forecasts for the three NEAs set out in policy SP4, having regard to any differences in the methods by which they were arrived at?

5. Are the employment land requirements of policies SP7, SP8, SP9 & SP10 part of, or additional to, the employment land requirements of policy SP4?



6. Is there clear justification for selecting the comparator locations identified on p55 of EXD/052, rather than other comparator locations?

No.

We are unable to find any justification or explanation for selecting the comparator locations.

We note that in EXD/052 the comparators are all stated to be part of the 'arc of prosperity'. North Essex is not part of that 'arc of prosperity' and therefore is not comparable.

In addition, the so-called 'arc' is currently the focus of government attention to accelerate economic growth yet further with investment in an 'Expressway' and an East-West rail link. Therefore, it is likely that the gap between north Essex and the 'arc' will widen further rather than close.

We are likely to wish to comment further when we have seen the NEA response to Inspector's question 1.

7. Is it reasonable to assume that, in the inward investment-led scenario, North Essex increases its employment-to-population ratio to that of the comparator regions by 2036 (para 2.4 of EB/081, p116 of EXD/052)?

No. Absolutely not.

The barriers to growth in North Essex cited in EXD/052 (and previous reports, ENLA, AECOM 2015 and Cambridge Econometrics), and which CAUSE highlighted in all our consultation responses (Issues & Options, Preferred Options, Draft Publication Plan, Technical Consultation 2019), remain, even under the 'investment-led' scenario. These barriers include congestion on roads and trains, and skills shortages, and are set out afresh, and at some length in a new report¹, published 19 November: a North Essex Economic Strategy.

The NEGCs do nothing to address the barriers to growth. The Essex Growth Infrastructure Framework sets out the infrastructure deficit per borough and the 'garden communities' are likely to make matters worse. The infrastructure funding plans, viability appraisals and phasing make it clear that the local infrastructure will be under severe stress. The 'place-making' premium, and the desire to entice highly educated professionals to north Essex, is unlikely to exist in reality. The garden communities fail to upgrade existing overcrowded infrastructure adequately, fail to plan properly for alternatives, and fail to use existing capacity where it is available. Their scale prevents them from delivering the promises surplus required to finance external infrastructure.

There is still no evidence that 'investment' (the A12 HIF bid and A120 RIS 2 funding, even if both materialise, the rapid transit system and improvements to rail capacity) in the 'investment-led' scenario are fundable, deliverable or sufficient to mitigate current transport pressures plus Section 1 and Section 2 transport pressures.

¹ http://bit.ly/2L00N2p



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Even since our consultation response this summer, in which we expressed concerns about rail capacity, new evidence from Network Rail (July 2019, but not published by the NEA, so we were not aware of it to comment on) throws serious doubt on the ability of the Great Eastern Mainline to absorb growth, and also demonstrates that infrastructure interventions required are still not costed, funded or scheduled.

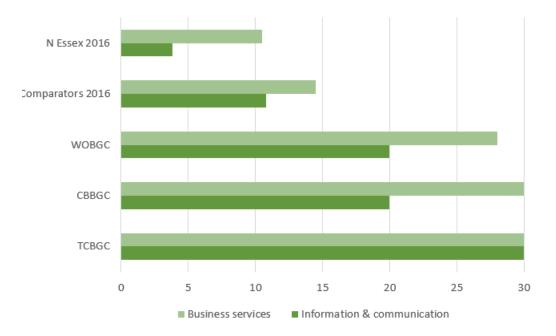
We see no reason to believe, or evidence to prove, that 'innovative construction' can make any meaningful contribution to employment or to GVA.

8. Is the percentage mix of employment sectors shown in Table 2 of EB/081 justified, having regard to the sectoral GVA shares identified in EXD/052, pp125-127?

There is no evidence to demonstrate that local skill levels will be increased to create the high-value, information-based, jobs that the NEA's aspire to. It is helpful to look at two examples:

- growth from a baseline 3.8% of jobs in 2016 in information and communications in north Essex to between 20-30% of jobs in the garden communities, against the comparators 10.8%.
- growth from 10.5% business services jobs in 2016 in north Essex to 28-30% in the garden communities.

These are extraordinarily ambitious targets given that the comparators in the 'arc' are often referred to as the 'brain-belt' and already have higher skills levels. The chart below shows the scale of change to employment types proposed:



Upon launch of the 'North Essex Economic Strategy', last week, we hoped that plans to deliver economic growth had taken a step forward. Unfortunately not... The report is a rehash of previous reports, and it labours the point that there are many barriers to growth, particularly of the high-skilled nature. The barriers remain un-addressed and the conclusion (paragraph 8.1) admits that, "Within this Strategy, we have set out a series of action areas that we will develop further, in support



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of each Mission. At present, these are at high level, and in most cases they will require further scoping and analysis before they can be brought forward." [CAUSE emphasis]. There is no excuse for this – the issues are well known (ENLA 2015, for starters), and practical solutions and action areas should have been developed long ago – before the Plan was submitted. In fact, the report is very light on deliverable and practical generators of growth and gives one no confidence that the step change required to deliver the growth set out in the report, or one job per household in the garden communities, will take place.

Once again, the garden communities are presented as somehow an economic growth strategy and solution in their own right, which they are not. It is worrying to see, yet again, that the North Essex Garden Communities are presented as a done deal. This pre-determination is a repeated pattern².

Finally, we note that in the new NEGC promotional video³, Douglas McWilliams of CEBR states that:

- 1. Very high levels of education are essential because all jobs essentially are skill based
- 2. Creativity and places with strong creative backgrounds are needed
- 3. Sustainability depends on people living close to work because people travelling to work put excessive strains on the environment. People must live in a sustainable fashion very close to work

We agree with Mr McWilliams. However, none of his three criteria are delivered by the Section 1 Plan.

In summary, still nothing we have read gives us any confidence that the one job per household promise in the garden communities can be delivered.

 ² As set out in our consultation submission on Community Engagement
³https://www.ne-gc.co.uk/engagement/