

BRAINTREE EMPLOYMENT LAND REVIEW ADDENDUM REPORT

Prepared for: Braintree District Council
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1.0 Introduction

Employment Land Reviews are an important part of the evidence base to inform Local Plans. Their purpose is to evaluate the supply of and demand for employment floorspace and land and to provide a robust evidence base and associated recommendations to assist in the development of policies and strategic designations for land and premises which broadly support office, industrial and warehousing activities appropriate to the locality.

The Braintree Employment Land Review (ELR), adopted in February 2025, was produced in November 2024, with the research taking place during the five months preceding that. In the intervening period since the ELR was published, more recent information and data have become available. This addendum reviews the projections of floorspace and land demand presented in the 2024 report. It is not a full review of the 2024 ELR and that report remains the principal source document. This addendum should be read in conjunction with that report. The addendum provides more recent data to inform the demand projections to that presented in Chapter 7 of the 2024 ELR.

A number of sources were used to prepare the 2024 projections, for which subsequent information is now available and these are set out below.

- Cambridge Econometrics projections of employment from their April 2024 forecast. New projections have been commissioned from their April 2026 forecast.
- VOA Commercial Floorspace Statistics. At the time of the 2024 ELR the latest data available was to 2023. Data is now available to 2025.
- The 2022-based Sub-national Population Projections were published in October 2025, updating the 2018-based projections available at the time of the 2024 ELR.
- The proposed plan period at the time of the ELR was 2024-41. This has now been changed to 2026-43.

We set out below the effects of applying the updated data and compare with what was set out in Chapter 7 of the 2024 ELR in terms of the projected demand for employment floorspace and land.

2.0 Employment projections

One method for forecasting demand for employment floorspace and land is derived from forecasts of employment change by sector. To inform this addendum updated employment forecasts were commissioned from Cambridge Econometrics in April 2026. This chapter presents the implications of those forecasts on demand for employment land and premises in the District compared with what was set out in the 2024 ELR.

UK economic outlook

There has been little change to the overall UK macro-economic outlook since the production of the 2024 ELR. The table below summarises the medium-term economic forecasts of the Office for Budget Responsibility (OBR) and the consensus average of independent forecasting bodies at the time of the ELR and now. The expectation is that the UK economy has settled into a period of modest growth at a rate of around 1.5%-1.6% per annum.

Figure 2.1 Forecasts for the UK economy

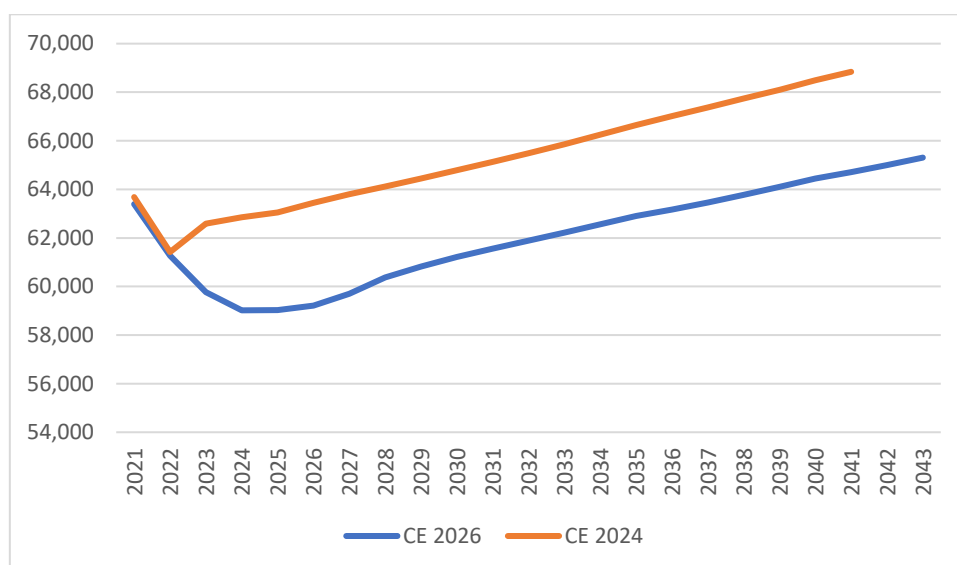
	2024	2025	2026	2027	2028	2029	2030
ELR 2024							
OBR Real GDP	1.1%	2.0%	1.8%	1.5%	1.5%	1.6%	
Independent Forecasts	0.9%	1.5%	1.6%	1.7%	1.6%		
June 2026							
OBR Real GDP (Mar)			1.1%	1.6%	1.6%	1.5%	1.5%
Independent Forecasts			1.0%	1.2%	1.4%	1.6%	1.6%

Source: Forecasts for the UK economy: a comparison of independent forecasts, HM Treasury (May 2026)

Cambridge Econometrics employment projections

To inform this addendum employment forecasts by sector were commissioned from Cambridge Econometrics in April 2026 to update the April 2024 projections from Cambridge Econometrics which were used to inform the 2024 ELR. Figure 2.2 compares the newly updated Cambridge Econometrics (CE) 2026 projections with the 2024 projections used in the ELR. The long-term trend rate of growth is similar at around 0.5%, though fractionally lower in the 2026 projections.

But actual employment in the District has fallen since the time of the 2024 ELR so the baseline starting position is lower. The effect is that an increase of just over 6,000 jobs is projected for the Plan period 2026-43 compared to just under 6,000 for the period 2024-41 at the time of the 2024 ELR.

Figure 2.2 Cambridge Econometrics employment projections, Braintree

Source: Cambridge Econometrics

Employment projections summary

The table below summarises CE 2024 and 2026 employment projections. As can be seen, the projected increase in jobs over the respective plan periods are slightly lower across all categories. Projected rates of growth are similar, though slightly lower for office jobs in the CE 2026 projection than in CE 2024.

**Figure 2.3
Summary employment projections, Braintree**

CE 2024	2024	2041	2024-41	2024-41%pa
All Jobs	62,850	68,840	5,990	0.5%
Office Jobs	12,240	13,720	1,480	0.7%
Industrial Jobs	17,340	18,640	1,300	0.4%
CE 2026	2026	2043	2026-43	2026-43%pa
All Jobs	59,210	65,310	6,100	0.6%
Office Jobs	12,000	13,170	1,170	0.5%
Industrial Jobs	15,570	16,980	1,230	0.4%

Source: Cambridge Econometrics/CAG

Revised employment projections using different data sets will almost inevitably result in employment numbers changing, but there is nothing about these figures that would suggest significantly different conclusions about the future prospects for the District's economy compared to those drawn at the time of the 2024 ELR.

Sector-based floorspace projections

The projections of employment by sector are converted into projections of floorspace demand through application of employment density ratios. We have reviewed the employment density assumptions used in the 2024 ELR (section 7.3). Whilst alternative assumptions could be applied we see no compelling evidence why any alternative assumptions would be any more accurate and hence have applied the same assumptions for consistency.

These are set out in Figure 2.4. The projected net additional floorspace requirement is marginally lower than in the 2024 ELR as would be expected given the slightly lower jobs forecast. The projections show demand for a net additional 80,200 sqm of industrial floorspace or 20.1 ha of land over the period 2026-43. This compares with 89,800 sq m or 22.5 ha of land set out in the 2024 ELR for the period 2024-41.

In terms of office floorspace the projection is for a net additional 13,560 sq m over the period 2026-43 compared to 16,950 sq m set out in the 2024 ELR for the period 2024-41.

We have also applied the same sensitivity test around the central employment density and plot ratio assumptions as used in the 2024 ELR. The results are set out in Figure 2.5 and can be compared with Figure 7.7 of the 2024 ELR.

Figure 2.4 Floorspace and land projections by use type, 2026-43

Sector	Jobs change ¹	Density ratio (sq m per worker)	Net additional floorspace (sq m)	Plot ratio (sq m per ha)	Land (ha)
Manufacturing	-700	36	-25,200	4,000	-6.3
Industrial	1,800	50	90,000	4,000	22.5
Warehouse	200	77	15,400	4,000	3.9
Total Industrial	1,300		80,200		20.1
Office	1,200	11.3	13,560	7,000	1.9
Total	2,500		93,760		22.0

¹ Employment projections have been rounded to the nearest hundred

Figure 2.5 Floorspace and land projection sensitivity tests

	Jobs change	Density ratio (sq m per worker)	Net additional floorspace (sq m)	Plot ratio (sq m / ha)	Land (ha)
High Density					
<i>Manufacturing</i>	-700	30	-21,000	5,000	-4.2
<i>Industrial</i>	1,800	40	72,000	5,000	14.4
<i>Warehouse</i>	200	50	10,000	5,000	2.0
Total Industrial	1,300		61,000		12.2
Office	1,200	9	10,800	10,000	1.1
Total	2,500		71,800		13.3
Low Density					
<i>Manufacturing</i>	-700	40	-28,000	3,000	-9.3
<i>Industrial</i>	1,800	60	108,000	3,000	36.0
<i>Warehouse</i>	200	90	18,000	3,000	6.0
Total Industrial	1,300		98,000		32.7
Office	1,200	13	15,600	4,000	3.9
Total	2,500		113,600		36.6

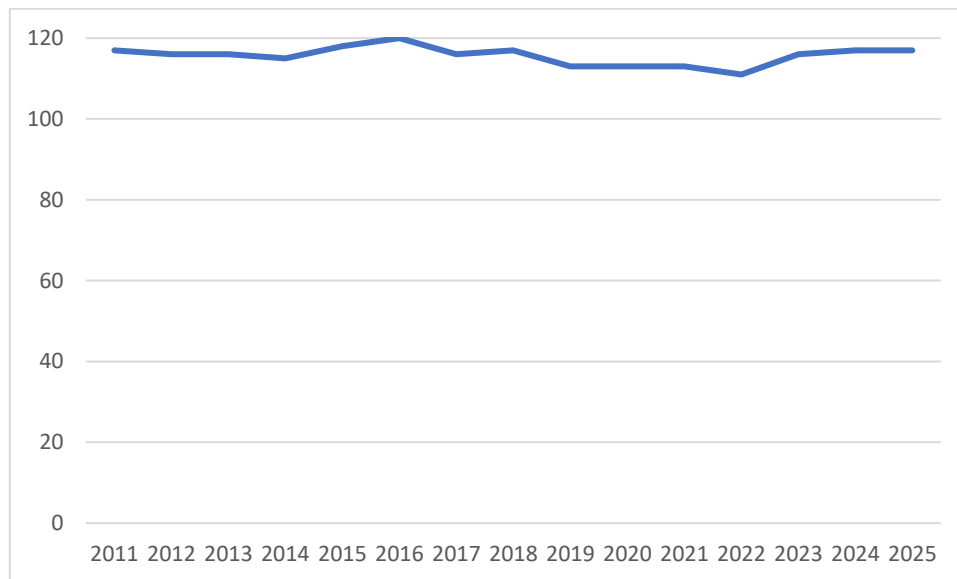
This produces a range in requirement of 61,000 - 98,000 sq m of industrial floorspace compared to 28,000 - 110,000 sq m in the 2024 ELR. For offices the range is 10,800 – 15,600 sq m compared to 13,500 – 19,500 sq m in the 2024 ELR.

3.0 Floorspace data

Trend floorspace projections

Office floorspace stock levels have seen little change since the time of the 2024 ELR, and as at 2025 totalled 117,000 sq m within the District of Braintree. Since 2011 stock levels have remained consistently around this level with a high of 120,000 sq m and a low of 111,000 sq m. A trend projection would suggest they would continue to remain fairly flat. Over this same period 2011-25 office floorspace stock in Essex as a whole declined by 15.8%.

Figure 3.1 Office floorspace stock, Braintree, 2011-25 (000 sq m)

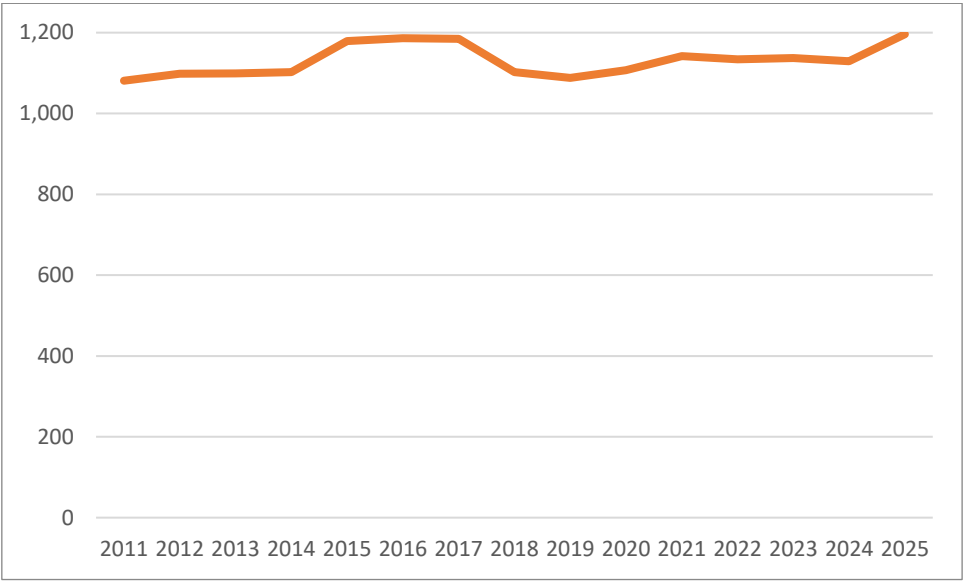


Source: VOA

Industrial floorspace stock within the District has seen a gradual increase in recent years with growth of 109,000 sq m between 2019-2025, to reach a total of 1,196,000 sq m by 2025. This is a higher figure than reported in the 2024 ELR due to revisions in the VOA data. Projecting forward a ten-year growth trend would produce a net additional increase in industrial stock over the plan period 2028-43 of 26,000 sq m if the annual rate of growth were applied or 25,500 sq m if the average annual increase in stock were applied.

If a shorter trend period were applied taking six years of positive growth since 2019, this has seen growth at an average rate of 0.7% p.a. or an average annual increase of 18,000 sq m. We would not recommend using a projection based on such a short time frame, nor on projecting forward based on a trough to peak period. The 2024 ELR noted that the demand profile appeared positive and hence did not use the flat floorspace trend identified at that time.

Figure 3.2 Industrial floorspace stock, Braintree, 2011-25 (000 sq m)



Source: VOA

4.0 Labour supply projections

Labour supply projections

Labour supply projections can be a helpful tool in assessing the local balance between jobs and resident workers, but they do not provide an indicator of the demand for office and industrial land and floorspace. An increased level of population would be expected to generate additional local demand, but this would be predominantly for consumer services such as retail and leisure, or public services such as health and education.

Since publication of the 2024 ELR a new set of Sub National Population Projections has been released by the ONS. The 2022-based sub-national population projections (SNPP) show a projected increase in population for Braintree of 15,168 over the period 2026-43, an increase of 9.4%. Just over half of this projected increase (56.7%) is accounted for by population aged 65+, which is projected to grow by 8,602.

Unlike the previous 2018-based projections, the new 2022-based projections show a positive growth in population of working age, with the number of residents aged 16-64 projected to increase by 7,578 over the Plan period, an increase of 7.7%. If the current rate of economic activity is held constant at 82.1%, then this would generate an increase in workforce of 6,222, marginally higher than the projected growth in jobs of 6,100.

At present the number of resident workers in the District exceeds the number of jobs, with a consequent net outflow of workers commuting out to take advantage of the wider range of job opportunities available in London and elsewhere in Essex. Even in 2021, when data was distorted due to covid related working from home, the number of workplace jobs was only 87% of the number of working residents, with net out-commuting of nearly 10,000. In 2011 when patterns were more typical, the number of workplace jobs was just 78% of the number of working residents, with net out-commuting of over 16,000. Given the differential between resident and workplace earnings in Braintree, with average resident earnings 14% higher than average workplace earnings ², we would expect significant levels of out-commuting to continue.

Impact of housing targets

The level of new housing impacts on the local economy in three ways. It provides a source of demand, through construction activity and also consumer demand; it acts as a potentially competing land use for commercial activity, and it impacts on the level of future labour supply. Each of these factors can impact on the demand for employment land, though it does not necessarily have to be positively correlated.

The new standard method for calculating housing targets, which is based on housing stock levels and affordability ratios, is not directly related to either labour demand forecasts or labour supply projections.

The Braintree Local Plan sets a target of 19,261 dwellings over the Plan period. Adjusting for current vacancy rates (3.1%) and second homes (0.4%) this generates 18,589 dwellings to be occupied by additional population. Assuming current household size of 2.4, that would produce an additional population of 44,614.

² Median gross average weekly earnings of full-time workers 2025 – Annual Survey of Hours and Earnings

However, the intention of the new housing targets is not to stimulate an increase in population growth but to meet existing need, so we would not expect that one additional dwelling would equate to an average of 2.4 additional people. For example, at the national level, the ONS household formation rate of 214,000 a year is significantly lower than the government's 300,000 a year housing target. This suggests the government is aiming not just to meet new demand, but also to:

- address existing shortages and backlog and
- improve affordability by increasing supply.

For example, one of the objectives would be to enable younger people who might otherwise be living at home with their parents to have their own home in their local area. This would create an increase in housing and households but not of population or labour supply.

Increased housing targets do not automatically equate to increased population growth, but they can enable population growth by removing constraints.

We set out an indication of the likely impact of the District's dwellings targets on the balance of jobs and workers in the District, in particular with regard to the implications for the notional amount of employment land this would imply to maintain a given balance.

To provide an estimate of the number of additional households if the housing targets are met, we have applied the national ratio of household formation/housing targets $(214,000/300,000)^3$, which gives a ratio of 71.3%. So, 18,589 additional dwellings will generate an increase in households of 13,260. This compares with a figure of 10,909 in the 2022-based household projections for Braintree for the period 2026-43.

Applying the current average household size for Braintree of 2.4, gives an additional population of 31,825.

Applying the projected proportion of population of working age at 2043 (59.9%) produces an increase in population of working age of 19,063 over the period 2026-43.

The current (2025) jobs density ratio for Braintree is 0.61.⁴ This factor takes account of both economic activity rates and levels of net out-commuting. So, to maintain the current balance between jobs and workers would leave 11,628 workers seeking jobs in the Braintree District.

At present 46.8% of jobs in the District are estimated to be in 'employment land' sectors. Based on our forecasts this share is projected to be 46.2% by 2043. This would imply planning for an additional 5,369 jobs in 'employment land' sectors. This is set out in Figure 4.1 below.

³ Using the 2022-based ONS Household formation projections for the period 2024-29. Arguably the 2018-base should be applied as these were the projections at the time the national housing targets were set. This would produce a significantly lower ratio of 54.7%, which would generate a lower number of residents seeking 'employment land' jobs of 4,117.

⁴ Source NOMIS. The jobs density ratio is the number of jobs in an area divided by the working aged population of that area. At the national level the ratio is around 0.85. Due to economic inactivity and unemployment not everyone of working age will have a job.

Figure 4.1 Planning Scenario

	Percent of total jobs	No. of jobs	Density Ratio sq m per worker	Net Additional Floorspace sq m	Land Ha
Employment Land Jobs	46.2%	5,369			
Manufacturing	6.8%	788	36	28,400	7.1
Other Industrial	11.3%	1,309	50	65,500	16.4
Distribution	8.0%	927	77	71,400	17.9
Office	20.2%	2,345	11.3	26,500	3.8
Total Land				191,800	45.1

We would re-iterate that this is a planning scenario and not one based on evidence of demand. It reflects an aspiration to achieve a stated labour market outcome. Effective demand will reflect real market investment decisions, national and regional economic outcomes and the relative market attractiveness of the District compared to its wider sub-regional economy. These are not market factors that can be impacted by aspiration alone. The planning scenario set out above is not one that would be supported by the demand evidence from the ELR.

5.0 Demand for employment floorspace

Demand for employment floorspace

There is no one forecasting tool that provides an absolutely certain and precise answer as to the quantity of employment land required. There are a series of quantitative methods which need to be analysed in conjunction with qualitative assessment. This addendum has produced updates to the quantitative projections using more recently published data, but the overall conclusions need to read in conjunction with the 2024 ELR.

With regard to office floorspace the 2024 ELR concluded the following in respect of Braintree's Local Plan Update:

Our recommendation for offices would be to plan for the higher figure, generated by the sector-led projection, of up to 17,000 sq m (1,000 sq m per annum), or 2.4ha of employment land. This represents just under 15% of current stock. But this provision should be made up of small units at different locations across the district. It should be targeted at the needs of SMEs, start-ups and others seeking local affordable premises. Part of this should be accommodated within rural business parks and part within town centre locations.

The updated sectoral projections generate a slightly lower figure for demand of 13,600 sq m, or 1.9 ha, but the nature of these forecasting tools is that the numbers will change as new data is fed into the models. Addition of an 8% frictional vacancy factor as in the 2024 ELR produces a requirement of 14,600 sq m of floorspace or 2.1 ha of land. The overall conclusions are similar and the 2.4 ha could be maintained to provide a small margin for error.

Conclusions with regard to industrial floorspace in the 2024 ELR were:

Again we would recommend planning for the sector-led projection of 90,000 sq m, or 22.5ha of industrial land, which seems to us more consistent with the demand profile identified in the earlier property market review. That represents 10% of current stock. But given the potential demand for strategic distribution this figure should not be seen as a ceiling if the right site is available and there is market demand to deliver the product.

The updated projections produce a demand for 80,200 sq m of industrial floorspace or 20.1 ha of industrial land. This is little changed and 2024 ELR figures would still be a valid planning total. The addition of an 8% frictional vacancy factor would increase the updated projection requirement to 86,600 sq m of floorspace or 21.7 ha of land.

The conclusion from the 2024 ELR still applies that this should not be seen as a ceiling and that there is potential for the District to secure, in addition, a share of the sub-regional demand for strategic distribution if it is able to provide the right type of site.