

# Employment Land Spatial Needs Assessment (ELSNA) Summary

West of England Combined Authority  
September 2021



## Aims and background of the study

### Why is it needed?

The Employment Land and Spatial Needs Assessment (ELSNA) will inform planning policies in the West of England area. The study supports the preparation of the Spatial Development Strategy for the West of England Combined Authority area. It will also be used by each local authority to inform their Local Plans.

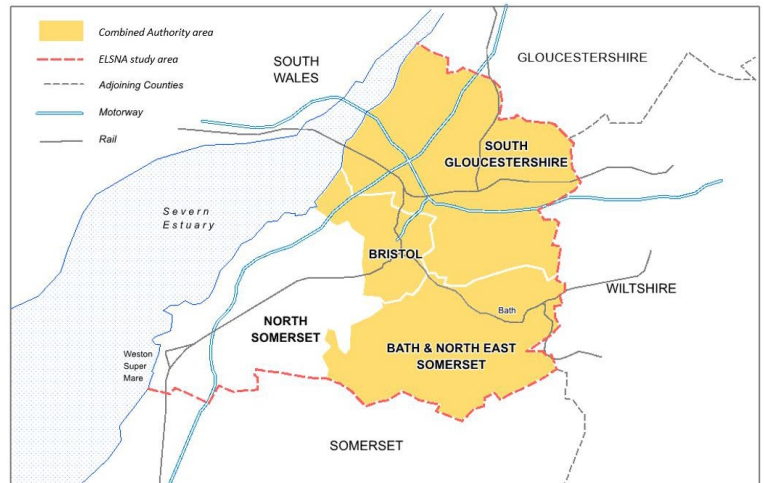


Figure 1: ELSNA study area

The Spatial Development Strategy (SDS) will set a framework for future development. The main objective of the SDS is to deliver clean, inclusive growth. The ELSNA study is needed so that the SDS can deliver a strategy to support economic growth and deliver employment land. The ELSNA study helps us understand how to plan for a successful, low carbon economy and create good jobs for residents. The ELSNA study also helps us understand the impact of the Covid-19 pandemic on the region's economy, and how to plan for recovery.

The study covers the West of England region which includes Bath and North East Somerset (B&NES), Bristol, North Somerset and South Gloucestershire. North Somerset are not included in the Spatial Development Strategy but will use the study to inform their Local Plan.

### What did the study aim to find out?

The Employment Land Spatial Needs Assessment (ELSNA) aimed to find out what employment land supply and demand will look like in the West of England area and sets out recommendations on the best ways to meet the demand for the next twenty years. The ELSNA provides clear and up to date evidence to inform the SDS spatial strategy and policies.

The main objective is to understand the amount and type of land needed to support clean and inclusive recovery and growth. The ELSNA study achieves this by looking at how much land is available, how much is needed, where that land should be, and how that land should be



*The ELSNA report was commissioned by the West of England Combined Authority in the summer of 2020. The ELSNA study was undertaken by Atkins Ltd on behalf of the Combined Authority in collaboration with Bath & North Somerset Council, Bristol City Council, North Somerset Council and South Gloucestershire Council.*

developed. It also considers if there are any barriers or issues affecting employment land provision, for example whether the transport infrastructure is in place to access jobs.

## Approach and methods used

The ELSNA looked at existing evidence as a starting point. The West of England Local Industrial Strategy, the West of England Employment & Skills Plan and the West of England Recovery Plan set out the strategic economic approach for the region. They also identify key economic sectors on the basis of their potential to create jobs and growth in the future. The ELSNA study assessed the supply and demand of floorspace for these key economic sectors.

### Key market sectors in the West of England:

- Broader Manufacturing (including Aerospace and Advanced Engineering)
- Creative and Digital
- Professional Service
- Retail, Culture and Leisure
- Food and Rural Enterprise
- Public Administration
- Housing, Construction and Development
- Transport and Logistics
- Health and Life Sciences
- Tourism
- Circular Economy and Low Carbon
- Education

A strategic assessment of the property market was also undertaken, alongside analysis of property market data (this is called a strategic property market review). This is useful because it highlights some of the characteristics and trends of the key employment sectors in the region. These trends help understand the supply and demand for commercial employment land in the West of England.

Engagement with key private and public sector stakeholders also helped understand regional trends. This helps understand key factors that affect the local property market and could limit access to suitable employment land.

## Who was engaged?

The ELSNA study included engagement with the local authorities and the Local Enterprise Partnership, and key industry, business, real estate and infrastructure groups. These reflected businesses operating in different areas of the West of England region and the key sectors listed above.

## Key Findings

### Issues and opportunities

The West of England is home to a diverse and thriving economy with a range of major industrial and business sectors and several specialisms. It is recognised globally as a place of innovation. Its growth potential is recognised. However, pockets of deprivation persist, particularly in parts

of Bristol. Creating more inclusive employment opportunities has an important role to play in addressing deprivation and inequality.

Property sub-market	Key issues and opportunities
Industrial market	There is a shortage of medium and small sites to support the advanced manufacturing and engineering sectors. These sectors seek modern premises in accessible locations, close to the area where this sector is concentrated (the arc from Emersons Green Enterprise Area to Filton Enterprise Area, including the University of the West of England and the M4/M5 interchange).
Logistics and distribution market	The growth of this sector is a national trend and has been accelerated by Covid-19 and the increase of online shopping. This results in higher demand for large premises to support distribution. These are sometimes known as ‘super sheds’. In the West of England, this type of land use is focused in the Avonmouth and Severnside areas. The ELSNA study identifies that there may be limited supply of land in this area if demand continues to grow. The ELSNA also identifies a particular need for smaller scale ‘last mile’ distribution premises which require more accessible locations to residential areas.
Office market	The West of England office market is concentrated in Bristol and Bath city centres. This is supported by key developments including the Temple Quarter Enterprise Zone and Bath Quays. Other important office locations include Bristol North Fringe and Keynsham. Supply of office space has reduced since 2010 and there is an undersupply of high quality (Grade A) space.
Other employment related spatial issues	<ul style="list-style-type: none"> <li>• Bristol University are planning to develop a second campus in Temple Quarter. There is potential for this to increase research, innovation and skills capacity required to drive economic growth of the Enterprise Zone.</li> <li>• The use of retail buildings on the high street is likely to change (particularly in Bristol and Bath City Centres). This may present opportunities to provide floorspace for other key sectors. This may include employment-generating community activities that benefit from a central urban location.</li> <li>• Poor public transport provision to employment locations is a critical issue. Improved transport links will improve access to employment and help reduce inequalities in the region. It will also improve access to the labour market for employers.</li> </ul>

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|  | <ul style="list-style-type: none"> <li>• The ELSNA anticipates a higher demand for smaller employment sites close to residential areas in future. This trend has been accelerated by the Covid-19 pandemic.</li> <li>• The ELSNA study identifies ‘replacement demand’ as a key issue in the West of England. When employment premises reach the end of their functional life, there is a risk these may be redeveloped for residential or other uses if they are not protected for employment use. This means space must be found to ‘replace’ the employment site that has been lost. This is in addition to any new land needed to support economic growth and new jobs. A critical issue in the West of England is to plan effectively for replacement demand.</li> </ul> |
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## Employment land supply and demand

The ELSNA study identified the employment land demand projected for the West of England. It then considered the potential supply of land which may be suitable for employment development.

The ELSNA study shows that overall, there is potential supply of employment land in the West of England Combined Authority area to meet forecast demand. However, the total figure hides a number of shortfalls in employment land supply for some sectors:

- There is a shortfall in the provision of industrial and research and development land and premises throughout the Combined Authority area, particularly within Bristol.
- There are localised shortfalls in office land and premises in Bristol and B&NES.
- There is a shortfall in storage and distribution land and premises in Bristol.
- There is a particular need for new small-scale industrial and last-mile distribution space in accessible locations for ‘city serving’ businesses.
- There is a need for employment land and premises to meet demand for co-working office hubs closer to residential areas (resulting from the Covid-19 pandemic).

## Recommendations

The ELSNA study uses the key findings to put forward recommendations to inform economic and employment land policy in the SDS and Local Plans. These include:

- Identify additional employment land supply to address the projected shortfalls.
- Protect existing employment land for continued employment use. This could be achieved by supporting the regeneration of existing employment areas and by supporting development that includes a mix of uses (including employment land).

- Ensure that ‘replacement demand’ is provided for by supporting the more efficient use of existing employment land. For example, through intensification of existing sites and through mixed-use re-development.
- Use policy to promote land uses in specific broad locations that meets the needs of key market sectors. This includes the key sector strengths identified in the Local Industrial Strategy (aerospace, creative, cultural and digital, and financial, business and legal technology services).
- Support the delivery of accommodation to serve the last-mile logistics market, flexible co-working spaces close to residential areas, small scale industrial uses, and support new and growing businesses in specialist sectors (such as Health and Life Sciences).
- Prioritise employment provision in locations with good access to the region’s most deprived communities. Improve public transport provision to access key employment areas. This will help businesses to be more inclusive and broaden their labour market reach.
- Build in flexibility to respond to Covid-19 recovery, Brexit and recognise the uncertainties of economic forecasting.
- Update evidence regularly and monitor patterns of supply and demand. This will measure whether there is enough supply of suitable employment land to meet the needs of businesses and employment generating activities.

## Next steps

The ELSNA report provides evidence to inform the spatial strategy and economic and employment land policy in the SDS. It has been published for information and to allow interested parties to consider the findings of the report. The draft SDS will be published in Spring 2022 and will be subject to a 12-week consultation, when residents and businesses across the region will be invited to share their views.

If you wish to be kept up to date with the SDS and strategic planning matters in the West of England please sign up to our strategic planning mailing list [via our webpage](#).