

Oldham Local Development Framework

Final Employment Land Review

March 2010

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Disclaimer

In relation to the information contained within this report (and any other report relating, or making reference, to the findings of Oldham's Final Employment Land Review (ELR)) the council makes the following disclaimer without prejudice:

- The identification of potential employment sites, buildings or areas within the Final ELR does not imply that the council will necessarily grant planning permission for employment/business development. Planning applications will continue to be treated on their merits, against the appropriate development plan policies and other material planning considerations.
- The inclusion of potential employment sites, buildings or areas within the Final ELR does not preclude them from being developed for other purposes.
- The information supporting the Final ELR is based on information that was available at the time of the assessment (2009/10). Circumstances may change or there may be some omissions and/or factual inaccuracies, which the council does not take liability for. There may therefore be additional constraints to consider that were not identified at the time of writing the report. Likewise some constraints may no longer be applicable.
- The status of sites or information relating to them may be subject to change. For example, a site may have been granted planning permission for development since being identified within the study.

Availability of document

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Abbreviations

The following are a list of abbreviations that are used in this report:

AGMA - Association of Greater Manchester Authorities

BSF - Building Schools for the Future

DCLG - Department for Communities and Local Government

DPD - Development Plan Document

ELR - Employment Land Review

GMFM - Greater Manchester Forecasting Model

HMR - Housing Market Renewal

GVA - Gross Value Added

LDF - Local Development Framework

LPA's - Local Planning Authorities

MCR - Manchester City Region

ODPM - Office of the Deputy Prime Minister (now the Department for Communities and Local Government)

OEF - Oxford Economic Forecasting

ONS - Office of National Statistics

PEZ - Primary Employment Zone

PPG - Planning Policy Guidance

PPS - Planning Policy Statement

SHLAA - Strategic Housing Land Availability Assessment

UDP - Unitary Development Plan

1 Executive Summary

- 1.1** As part of the preparation of the Local Development Framework, Oldham Council has undertaken this Final Employment Land Review (ELR) to help create robust and informed employment land policies. The council is required to review the existing employment land allocations, forecast the need for new employment land over the plan period, and consider whether new employment allocations should be made and/or any existing sites de-allocated or carried forward. The Draft ELR went out for consultation in November 2008 to January 2009. The council has had regard to the comments made and where appropriate the council has made amendments. A public schedule of comments and responses has been published alongside this Final ELR.
- 1.2** The methodology used in the Draft and Final ELR is based on Government guidance ⁽¹⁾, as well as good practice from studies undertaken elsewhere at a regional ⁽²⁾, sub regional ⁽³⁾ and other local authorities.
- 1.3** An important document in the preparation of this Final ELR is the Greater Manchester Employment Land Position Paper, August 2009. In May 2009 the Association of Greater Manchester Authorities (AGMA) commissioned Nathaniel Litchfield and Partners to disaggregate the Greater Manchester future employment land requirement figure from Regional Spatial Strategy down to district levels. The conclusions for Oldham was a range of demand projections between the possible current supply (69 hectares) to the lower end of the Draft ELR demand projections (133 hectares). The position statement says that the findings should be regarded as a starting point for further analysis and consideration. A range of between 69 - 133 is considered too broad, so this Final ELR will aim to get a more specific requirement of employment land for the plan period.
- 1.4** The key findings from this Final ELR are as follows:

Qualitative Demand Assessment

- 1.5** The demand for office accommodation up to 1,000sqm is strong, with larger office spaces taking longer to sell or let. The demand for smaller industrial units is strong and there is a shortage of freehold accommodation on the market. The demand for small warehouse/distribution units is strong, with demand for large warehouse/distribution units expected to rise. However, given the current economic climate it is unlikely that developments will commence on a speculative basis for foreseeable future.

Current supply of Employment Sites

- 1.6** Donaldsons were commissioned by the council to look at the 'fitness for purpose' of the current portfolio of available employment sites within the borough that are allocated in the Unitary Development Plan (UDP). Each of the sites and locations were scored against criteria and given a total score. Of the 84.93 ⁽⁴⁾ hectares allocated in the UDP for Business and Industry and Mixed Use, 32.09 hectares was already developed or under construction and 5.42 hectares was considered undevelopable.

1 ODPM Employment Land Reviews: Guidance Note 2004

2 North West Regional Assembly Employment Land Study

3 Demand for Employment Land in Greater Manchester and Assessment of Employment Land in Greater Manchester

4 This excludes allocations below 0.4 hectares

- 1.7** Of the residual Business and Industry and Mixed Use allocations, Donaldsons made some recommendations as to their future. When preparing the Site Allocations DPD, the council will, where appropriate, have regard to the comments and recommendations Donaldsons made.

Table 1 Status of Business and Industry and Mixed Use Allocations as at 31st March 2009

	Hectares
Available employment land	84.93
Developed or under construction or unavailable for development	42.49
Residual employment land to be assessed through Site Allocations DPD	42.44

- 1.8** Donaldsons conclude that a shortfall in the availability of good quality sites is likely to hold back investment and development in the borough, and that it is necessary for Oldham to allocate additional good quality sites for employment.

Quantitative Employment Land Demand Analysis

- 1.9** The findings from the Draft ELR are now in Appendix 3. The figures have now been updated to reflect the latest information available. This Final ELR looks at four employment land projection and forecasting methods:
- Quantitative analysis of the econometric projections (AGMA's Greater Manchester Forecasting Model)
 - Commercial and Industrial Floorspace and Rateable Value Statistics;
 - Historic take up rates for employment land in the borough
 - Labour Supply
- 1.10** Table 2 shows a wide range of figures have been produced as a result of the all the methods looked at. These range from a need for an increase of 160 hectares to a decrease of 101 hectares.

Table 2 All methods used to forecast employment land needed in Oldham up to 2026

Method	Document	Time Period Covers	Net or Gross?	Employment Land Results
GMFM Reference Scenario 2007	Draft Employment Land Review	2008 - 2026	Net	-51.55 hectares
GMFM Accelerated Growth Scenario 2007	Draft Employment Land Review	2008 - 2026	Net	-47.08 hectares
GMFM Reference Scenario 2008	Final Employment Land Review	2008 - 2026	Net	-34.61 hectares
GMFM Reference Scenario 2009	Final Employment Land Review	2008 - 2026	Net	-52.21 hectares
Employment Land Module (based on	Final Employment Land Review	2008 - 2026	Net	-56.94 hectares

Method	Document	Time Period Covers	Net or Gross?	Employment Land Results
GMFM Reference Scenario 2009)				
Commercial and Industrial Floorspace Calculations	Draft Employment Land Review	2007 - 2026	Net	-78.1 hectares
Commercial and Industrial Floorspace Calculations*	Final Employment Land Review	2008 - 2026	Net	-101.25 hectares
Employment Land Take Up (Gross)	Draft Employment Land Review	2008 - 2026	Gross	160.1 hectares
Employment Land Take Up (Gross)*	Final Employment Land Review	2009 - 2026	Gross	150.0 hectares
Labour Supply	Final Employment Land Review	2008 - 2026	Net	-28.71 hectares

*these methods were simply updated in this Final ELR to incorporate the latest figures available

1.11 To determine a more specific employment land requirement Oldham has used a method similar to the method used by 4NW for RSS and moderated past employment land take up rates on the basis of factoring in the proportional change in office and industrial employment generated through the GMFM (4NW moderated past employment land take up rates by factoring in modelled GVA growth). Over the course of the two reviews (Draft and this Final ELR) four GMFM scenarios have been used, the results of which give a range of proportional change in employment percentages. The projected land requirements generated from the forecasts indicate that Oldham will need between 126 - 137.6 hectares of employment land dependent on the four scenarios.

1.12 Employment land losses over the past ten years have been on average 2.6 hectares per year. If this were to continue, Oldham will lose 44.2 hectares of employment land over the plan period. It is felt that this restructure of the economy should be factored in to Oldham's figures, so 44.2 hectares has been subtracted from the figures above giving an employment land requirement range of between 81.8 - 93.4 hectares.

1.13 To narrow this range down to a more precise figure, advice was sought from Oxford Economics as to which is the most relevant GMFM forecast for this Final ELR. They recommended use of the most recent forecast (Reference 2009) as this reflects the most recent outlook for local economies. Taking this advice on board and using the 2009 Reference Scenario, Oldham, from 2008 to 2026, may need to provide 81.8 hectares of employment land. Oldham has 42.44 hectares of existing allocations to be assessed through the Site Allocations DPD. Therefore Oldham has a potential shortfall of up to 39.36 hectares of additional employment land to be identified in the LDF for the plan period.

'New' portfolio of sites

- 1.14** This section of the Final ELR seeks to establish a portfolio of sites that could potentially contribute to the borough's future employment land allocations. Any potential constraints the existing employment allocations may have will be looked at with a second stage appraisal. 'New' sites that could help meet Oldham's future employment land requirements of 39.36 hectares also need to be subject to the same site assessments as existing sites for consistency.

Possible Constraints on Existing Sites

- 1.15** Existing sites were assessed for any development constraints relating to flood risk, public transport accessibility, potential for contaminated land and any listed buildings on site. Two sites, Junction Mill in Chadderton and Royton Moss in Royton, are part covered by Flood Zone 3b, and those parts will have to be excluded from the overall developable area were any planning applications to come forward.
- 1.16** Some sites had varying degrees of public transport accessibility, although this in itself would not be a barrier to development as any permissions granted can be conditioned to provide travel planning measures. All but one site has the potential to be contaminated, however the extent to which they are contaminated and the need for remediating to a suitable standard will be explored as and when planning applications are submitted. One site has a listed building present, Primrose St/Crossbank, however this would not prohibit development on site but it does act as a constraint on redevelopment as the listed element of the site would need to be incorporated into any proposals.

Addressing the shortfall of sites

- 1.17** The Final ELR has identified a potential a shortfall of 39.36 hectares. For the identification of new sites a number of sources were used and six new sites totalling 50.65 hectares were identified from looking into these sources. The sites were subject to the same scoring criteria that the existing business and industry sites were and then the possible constraints on development were assessed. Overall the sites do not seem to be constrained, however there are issues surrounding public transport accessibility for Robert Fletcher's and there is a listed building present on Foxdenton OPOL 3. All sites also have the potential to be contaminated. In relation to flood risk, two of the sites were found to be partially within Flood Zone 3a and 3b, Robert Fletcher's (0.7%) and Foxdenton OPOL 3 (11.2%).
- 1.18** It is recommended that the 42.44 hectares of existing employment sites are taken forward and looked at through the Site Allocations DPD along with the 50.65 identified as potential 'new' employment sites, totalling 93.09 hectares. However, until work on the Site Allocations DPD commences and the necessary and appropriate assessments undertaken, there can be no guarantee that any of these sites will be allocated in the LDF.
- 1.19** If Oldham is to achieve the employment land required for the plan period it is essential that Foxdenton is allocated for employment led development through the LDF. If the 44.14 hectares at Foxdenton is not taken forward for employment development Oldham will have a potential deficit of employment land up to 2026 and will have to rely on the Regional Centre and Strategic Regional Sites in neighbouring authorities to provide opportunities for the workforce in the future, and/or rely on small sites which will not help with the borough's economic transformation.

2 Introduction

- 2.1** Oldham Council is preparing its Local Development Framework (LDF). To inform the preparation of the LDF the council has undertaken this Final Employment Land Review to help develop robust and informed economic policies.
- 2.2** In planning for employment land, the council needs to make provision for a supply of sites of the right quality, quantity and location. The supply of employment land needs to meet the demands of the market and support the regeneration and sustainable economic aspirations of the borough.
- 2.3** Government guidance on Employment Land Reviews (ELR) ⁽⁵⁾ suggests that a three stage process should be followed:
- Take stock of the existing situation;
 - Create a picture of future requirements; and
 - Identify a 'new' portfolio of sites.
- 2.4** The ELR should help inform the evidence base that will form the basis of policy decisions on future employment allocations in Oldham that will be taken forward through the LDF process.
- 2.5** A Draft ELR went out to public consultation in November 2008 and received 24 comments from five consultees. Where appropriate the council has made amendments to the Final ELR as a result of the consultation. A schedule of the comments received along with the council's response has been published alongside this Final ELR.
- 2.6** Since the Draft ELR went out for consultation a number of data sets that were used in the quantitative demand analysis chapter of the report have now been updated and new Greater Manchester Forecasting Model (GMFM) scenarios have been produced. The information in Chapter 8 from the Draft ELR is still relevant, but to avoid confusion with the most recent figures the chapter from the Draft ELR is now in Appendix 3 of this document. Chapter 9 'Conclusions of Employment Land Analysis' pulls together the results from each dataset and refines the figures to achieve a employment land requirement for Oldham up to 2026.

3 Contextual Overview of Oldham

- 3.1** Oldham is within the Manchester City Region and covers approximately 55 square miles and is home to around 219,000 people living in approximately 90,000 households. The borough's population is younger than the national average, and has a greater proportion from black and minority ethnic (BME) groups compared with regionally. Projections show a picture of strong household growth over the coming years due to newly forming households within the BME community, inward migration and the general national trend towards smaller households.
- 3.2** Oldham rose to prominence during the 19th century as an international centre of manufacturing. It was a boomtown of the Industrial Revolution and amongst the first ever industrialised towns. Since the loss of the textile industry, Oldham has responded well but diversified into sectors that are now declining and remain low skill and low wage. Approximately 16.7% of Oldham's employees are employed in manufacturing compared with 12.4% regionally and 10.6% nationally. This leaves the local economy vulnerable to rationalisation or the transfer of employment overseas.
- 3.3** The borough's economy is under-performing. Gross Value Added (GVA) per head for Greater Manchester North 23% is lower than the regional level and 34% lower than the national level. Oldham is the 42nd most deprived local authority area in the country. Pockets of deprivation are particularly concentrated around the inner Oldham area. Unemployment is above the Greater Manchester, regional and national averages, and is rising fastest amongst the north Manchester local authorities.
- 3.4** Average gross weekly wages of a full time worker in Oldham are below North West and United Kingdom levels. There are over 8,000 companies in the borough. The borough has a large number of small-medium sized enterprises, but it also benefits from representation of international companies with registered offices in the borough. The overall stock of VAT registered businesses has been slowly rising since 1995; at the end of 2007 the figure was 5,220. Business formation is low. The rate of new VAT registrations (30.7) was below the North West (37.2) and England (43.4) in 2007.
- 3.5** Oldham was a successful cotton spinning mill town, but one of the legacies this success left behind once the cotton industry declined was a large number of surplus mills. Over the last 10 years Oldham has, with the assistance of the public sector, secured private sector inward investment, which has resulted in the regeneration of many former mill sites for employment use, such as Albert Mill in Hollinwood and Falcon Mill in Chadderton. Many of these buildings have been redeveloped, however this type of accommodation can be difficult to adapt for modern day uses. A number of the mills have been demolished. For example, Andrew Mill in Saddleworth, Cape Mill in Shaw and Mona Mill in Chadderton.
- 3.6** Attracting inward investment and promoting business growth are important for Oldham's future economic prospects, and it is recognised that the borough needs an adequate and mixed portfolio of sites for businesses to start, to grow, and to locate.

4 Key Policies, Plans and Strategies

4.1 The following section provides a review of national, regional and local policies and strategies that are relevant to the Final Employment Land Review.

National Planning Policy

Planning Policy Statement 1 (PPS1) 'Delivering Sustainable Development' (ODPM 2005)

4.2 PPS 1 sets out the Government's overarching principles on the delivery of sustainable development through the planning system. It states that planning should facilitate and promote sustainable patterns of urban and rural development by:

- making suitable land available for development in line with economic, social and environmental objectives to improve people's quality of life;
- contributing to sustainable economic development;
- protecting and enhancing the natural and historic environment, the quality and character of the countryside, and existing communities;
- ensuring high quality development through good and inclusive design, and the efficient use of resources; and
- ensuring that development supports existing communities and contributes to the creation of safe, sustainable, liveable and mixed communities with good access to jobs and key services for all members of the community.

Planning Policy Statement 3 (PPS3) 'Housing' (DCLG 2006)

4.3 PPS 3 emphasises the need for housing developments to be focused on previously developed land. It also states local planning authorities should consider whether sites currently allocated for industrial or commercial use could be more appropriately re-allocated for housing development.

Planning Policy Statement 4 (PPS4): Planning for Sustainable Economic Growth (DCLG, December 2009)

4.4 The Government's overarching objective is sustainable economic growth.

4.5 To help achieve sustainable economic growth, the Government's objectives for planning are to:

- build prosperous communities by improving the economic performance of cities, towns, regions, sub-regions and local areas, both urban and rural
- reduce the gap in economic growth rates between regions, promoting regeneration and tackling deprivation
- deliver more sustainable patterns of development, reduce the need to travel, especially by car and respond to climate change
- promote the vitality and viability of town and other centres as important places for communities. To do this, the Government wants:
 - new economic growth and development of main town centre uses to be focused in existing centres, with the aim of offering a wide range of services to communities in an attractive and safe environment and remedying deficiencies in provision in areas with poor access to facilities

- competition between retailers and enhanced consumer choice through the provision of innovative and efficient shopping, leisure, tourism and local services in town centres, which allow genuine choice to meet the needs of the entire community (particularly socially excluded groups)
- the historic, archaeological and architectural heritage of centres to be conserved and, where appropriate, enhanced to provide a sense of place and a focus for the community and for civic activity
- raise the quality of life and the environment in rural areas by promoting thriving, inclusive and locally distinctive rural communities whilst continuing to protect the open countryside for the benefit of all.

4.6 PPS 4 contains 19 plan making and development management policies. The most relevant policy for this Employment Land Review within the Statement is Policy EC1: Using evidence to plan positively. It states that at the local level, the evidence base should:

- be informed by regional assessments
- assess the detailed need for land or floorspace for economic development, including for all main town centre uses over the plan period
- identify any deficiencies in the provision of local convenience shopping and other facilities which serve people's day-to-day needs
- assess the existing and future supply of land available for economic development, ensuring that existing site allocations for economic development are reassessed against the policies in this PPS, particularly if they are for single or restricted uses. Where possible, any reviews of land available for economic development should be undertaken at the same time as, or combined with, strategic housing land availability assessments
- assess the capacity of existing centres to accommodate new town centre development taking account of the role of centres in the hierarchy and identify centres in decline where change needs to be managed

Planning Policy Statement 12, (PPS12) 'Creating Strong Safe and Prosperous Communities through Local Spatial Planning' (DCLG 2008)

4.7 PPS 12 explains what spatial planning is and how it benefits communities. It sets out the key ingredients of local spatial plans and the key Government policies on how they should be prepared. It states Core Strategies must be justifiable and founded on a robust and credible evidence base. It outlines that the evidence base should contain two elements; participation and research/fact finding. It goes on to say that evidence gathered should be:

- proportionate to the job being undertaken by the plan;
- relevant to the place in question; and
- as up to date as practicable having regard to what may have changed since the evidence was collected.

Planning Policy Guidance Note 13 (PPG13) 'Transport' (Department of Environment, Transport and the Regions 2001)

4.8 The objectives of PPG 13 are to integrate planning and transport at the national, regional, strategic and local level in order to:

- promote more sustainable transport choices for both people and for moving freight;
- promote accessibility to jobs, shopping, leisure facilities and services by public transport, walking and cycling; and
- reduce the need to travel, especially by car.

4.9 It encourages major travel generating developments to be located in appropriate centres and seeks to ensure that employment opportunities are located close to residential areas with a choice of modes of transport.

Regional Planning Policy, Strategies and Plans

North West of England Plan Regional Spatial Strategy to 2021 (Government Office North West 2008)

4.10 The Regional Spatial Strategy (RSS) for North West England provides a framework for development and investment in the region. It establishes priorities for growth and regeneration and policies to achieve sustainable development.

4.11 Within the RSS the region is split into sub regions and Oldham is located within the Manchester City Region. Policies relevant to this Final ELR within the RSS are:

- Policy W1 – Strengthening the Regional Economy, this policy is concerned with promoting opportunities for economic development which will strengthen the economy of the region. With the Manchester City sub region, it specifies that the following growth opportunities should be built on; advanced manufacturing and engineering, financial and professional services, media, creative and cultural industries, bio medical, ICT/digital, and communications.
- Policy W3 – Supply of Employment Land, states that local planning authorities should carry out a comprehensive review of commitments. This is in order to secure a portfolio of sites that complies with the spatial development principles and to ensure:
 - the most appropriate range of sites are safeguarded for employment use;
 - these sites can meet the full range of needs and are actively markets;
 - at least 30% of sites are available at any one time;
 - the amount of brownfield land used for employment purposes is maximised;
 - full consideration is given to the scope for mixed-used development particularly in centres, and on larger sites;
 - appropriate provision is made in Key Service Centres and full consideration given to innovative re-use of agricultural buildings to facilitate the growth and diversification of the rural economy; and
 - the implications of home working on the scale and location of future employment land requirements are considered.
- Policy W3 goes on to say that the portfolio of employment sites should be kept under regular review (every three years) to ensure the region does not over or under allocate land in relation to the scale of economic growth. This policy also sets out the provision of employment land that should be allocated within the region for 2007 to 2021. The RSS does not disaggregate requirements down to specific authority level but Oldham is included within the Greater Manchester section. For Greater Manchester RSS identifies a requirement for an extra 536 hectares of employment land. The policy goes on to say that it is recognised that in exceptional circumstances additional land on top of this requirement maybe

needed and therefore 20% flexibility is factored in and that increases the requirement to 917 hectares.

- Policy W4 – Release of Allocated Employment Land, advises that outside of a comprehensive review of employment land that when preparing plans and strategies and considering proposals and schemes there should be a presumption against the release of allocated sites for other uses. It goes on to say that if Local Authorities decided to release sites for other uses that they should be satisfied, before doing so that:
 - they have an appropriate supply of sites available for employment uses, and;
 - that if required there are replacement sites available, of equal or better quality, or alternative means of incorporating employment land needs have been identified. This may mean considering mixed-use developments, greater intensity of land use or the availability of sites in adjacent authorities.

North West Regional Economic Strategy (RES) (North West Regional Development Agency 2006)

4.12 The North West RES is a rolling 20 year strategy committed to delivering sustainable economic development. The vision of the strategy is to create, 'A dynamic, sustainable international economy which competes on the basis of knowledge, advanced technology and a excellent quality of life for all where:

- Productivity and enterprise levels are high, in a low carbon economy, driven by innovation, leadership, excellence and high skills.
- Manchester and Liverpool are vibrant European cities, and with Preston are key drivers of city-regional growth.
- Growth opportunities around Crewe, Chester, Warrington, Lancaster and Carlisle are fully developed.
- Key Growth Assets are fully utilised, (Priority Sectors, the Higher Education and Science Base, Ports/Airports, Strategic Regional Sites, the Natural Environment especially the Lake District, and the Rural Economy).
- The economies of East Lancashire, Blackpool, Barrow and West Cumbria are regenerated
- Employment rates are high and concentrations of low employment are eliminated.'

Manchester City Region Policies, Strategies and Plans

The Manchester Multi Area Agreement Our City Region's Proposal to Government (MAA) (AGMA 2008)

4.13 This is a unique set of tailored shared proposals between the Manchester City Region (MCR) and partners in Government to create a new economic revolution worthy of the twenty first century. There are 8 Building Blocks within the MAA that are designed to bring significant gains in terms of Manchester's economic performance, contributing towards building safer, stronger and more prosperous communities. These are:

- The Greater Manchester Strategic Plan which will set out AGMA Executive's over arching vision, objectives and core priorities for the future of the Manchester city region.
- Reducing Worklessness
- Strengthening Our Skills Offer

- Achieving more for 14-19 year olds
- Accelerating Business Expansion to Generate Growth
- Enhancing Investment and Innovation
- Ensuring the City Region's Critical Infrastructure will sustain our economic growth
- Meeting the Housing needs of a Competitive City Region

Manchester Independent Economic Review (MIER)

4.14 The MIER is a shared evidence base which can be used to underpin policy choices regarding future priorities for strategic investment. It is also intended to bridge some of the gulfs in understanding what exist in the MCR about how regional economies grow. It is also an accessible and updateable evidence base at a more detailed level than has previously been achieved in order to support policy makers. It is also a shared view of the future development of the City Region's economy.

4.15 Seven reports have been completed as part of the MIER:

- **The Review** (April 2009) - this report developed 10 policy recommendations, in summary these are;
 - a sustained effort to improve the very early years of all young people in the MCR;
 - a review of housing strategy;
 - a review of transport planning;
 - that planning policy should be reviewed to acknowledge the reality of economic demand and permit more expansion of suitable business premises in those parts of the city region where demand is strongest;
 - that Manchester moves as quickly as possible to a unified regime for planning, regeneration and neighbourhood renewal,
 - that Manchester, regional and national government partners undertake further detailed studies to identify whether there are potential government investments in science and elsewhere in the non-traded sector;
 - that the city region looks again at how it makes major decisions;
 - the development of a more effective system of programme and project evaluation is needed;
 - that Manchester and central Government explore fully the evidence about the costs and benefits of, and the potential for delegation and devolution of some decision-making powers, including funding; and
 - in respect of trading links and skills that the response to MIER review should be led by the private sector.
- **The Case for Agglomeration Economies** (April 2009) - Headline findings from the report are that:
 - London and the South East are dominant, but for the long-term benefit of the UK economy, evidence suggests growth in the MCR and other northern city regions would be good.
 - The MCR is less productive than it should be due to skills, housing, planning and transport infrastructure.
 - There is no evidence that clustering of specific industries improves productivity.
- **Innovation, Trade and Connectivity** (April 2009) - Headline findings from the report are that:

- Large number of firms within the city regions have no trading contacts within the city region but have strong connections to firms outside of the region.
- The greatest capacity to spread innovations within MCR is found in the Financial and Professional Services sector, followed by Creative/Digital/New Media and ICT; there is the lowest capacity in Life Sciences.
- In conclusion the capacity of the whole regional economy to innovate depends on links between firms within MCR.
- **Inward and Indigenous Investment** (February 2009) - Headline findings from the report are that:
 - Investment by foreign firms in Manchester, in contrast to other parts of the UK, does not displace jobs and investment by domestic firms.
 - Manchester is one of the best placed cities in the UK to match the economic strength of London and the Southeast.
 - Large businesses within the region are Manchester's main source of investment and productivity.
- **Labour Markets, Skills and Talent** (March 2009) - Headline findings from the report are that:
 - The city-region regularly out-performs its competitor cities with regards to offering high-skilled jobs and retaining and providing the talent required to fill those jobs.
 - More of MCR's population are employed in the knowledge based industries of financial and business services, such as legal services, than ever before.
 - The transformation of the city-region's economy has wide-ranging implications for policy makers if Manchester is to continue to remain the dominant economic force outside of London and the South East.
- **Sustainable Communities** (March 2009) - Headline findings from the report are that:
 - levels of deprivation have fallen in all neighbourhoods across the city region.
 - However some neighbourhoods have seen living standards improve at a faster rate than others.
 - Policy development needs to take account of neighbourhoods, rather than focusing on borough or city-wide initiatives.
 - The report establishes a new typology for categorising deprived neighbourhoods. These four categories (Isolate, Gentrifier, Escalator and Transit) each demonstrate different attributes which will shape the level and need for policy intervention.
- **Daresbury Campus Review** (March 2009) - This report looks specifically at the future of Daresbury and its potential as a centre for science.

Greater Manchester Employment Land Position Statement (Nathaniel Lichfield and Partners (NLP) commissioned by AGMA August 2009)

4.16 NLP was commissioned by AGMA in May 2009 to produce a Position Statement on employment land provision across the ten Greater Manchester districts. One of the drivers behind the Position Statement was Policy W3 in RSS which quantifies the required amount of employment land within Greater Manchester that should be provided. As the requirement is not disaggregated to district level the ten districts and other partners are required to work together to agree the distribution of the land.

- 4.17** The report looks at the concept of 'landless growth', this refers to the creation of significant levels of B1/B2/B8 jobs on sites using a higher density than has been used in the past, building up rather than out. For Oldham it concludes that landless growth has not been witnessed to a significant extent as yet. However it goes on to conclude that due to land being scarce in Oldham the redevelopment of brownfield sites at higher densities is a prerequisite if the borough is to achieve the goal of encouraging new high-technology industries.
- 4.18** Current supply of employment sites are also looked at. For Oldham it says it is generally considered that the borough has a very limited supply of employment land due to environmental and physical restrictions, in particular topographical issues and the fact over half the borough is Green Belt. It is noted that there are opportunities for Oldham's workforce to gain employment in neighbouring borough's Strategic Regional Sites such as Kingsway in Rochdale, Ashton Moss in Tameside, Central Park in Manchester, Manchester Piccadilly Basin/Oxford Road Area, and Salford Quays/ Irwell Corridor Area, as well as in the regional centre.
- 4.19** The Position Statement seeks to draw together the emerging conclusions to provide a reasoned response to the RSS sub-regional employment land figures for Greater Manchester as outlined in Policy W3. It aims to provide a detailed breakdown across the ten districts. NLP looked at a variety of data sources including:
- Strengths/weaknesses, aims and aspirations of each district;
 - Conclusions of ELR's (Oldham's was in draft form at the time);
 - Discussions with officers and stakeholders;
 - Analysis of the latest Greater Manchester Forecasting Model forecasts;
 - Consideration of any specific transport implications;
 - Analysing recent job growth trends of key sectors;
 - Assessing the prospect of potential growth sectors against locational factors;
 - Likely implications of building up/building out for each district; and
 - Considering factors that could lead to a step change in the sub-regional economy
- 4.20** The conclusions for Oldham were that due to limited land supply and GMFM forecasting 3,700 net job losses, it is considered inappropriate to plan for excessive need based on past take up rates. Due to this a range of demand projections have been suggested between 69 hectares and 133 hectares. This range is based on potential supply of land and the lower end of the Draft ELR demand projections. The position statement says that the findings, particularly the indicative estimates of how RSS Policy W3 should be interpreted, should be regarded as a starting point for further analysis and consideration. This Final ELR is Oldham's further analysis and consideration.
- 4.21** The final section in the statement looks at deriving a consistent ELR methodology for Greater Manchester. This section has been summarised in Chapter 5 'Guidance and Research on Employment Land Reviews'.

Local Policies, Strategies and Plans

Oldham Unitary Development Plan (UDP) (Oldham Council 2006)

4.22 The Plan's economic objectives are to:

- make better use of vacant and underused land and buildings in existing employment areas, and consolidate their potential as centres of future business and industrial growth;
- improve access to employment opportunities throughout the Borough and address the economic disadvantages faced by certain sections of the community;
- improve the diversity of the local economy and provide a broader range of jobs that can better withstand any future recession;
- provide enough development land to meet the needs of businesses, recognising that some sections of the Oldham workforce may be employed within neighbouring authorities;
- provide a range of sites for a variety of new employment uses, excluding retail, to meet the needs of new firms in the Borough and existing companies that wish to expand; and
- provide a range of sites in locations that are accessible by a variety of transport modes.

4.23 The plan allocates 74.60 hectares of land for a mixture of B1/B2 and B8 uses (these are the sites that are above 0.4 hectares in size), and an additional 10.33 hectares of land for mixed-use development. In addition to this there are 32 Primary Employment Zones (PEZ's) allocated in the borough which allow for a wide range of employment generating uses on them. The PEZ policy only allows development for housing and/or community uses if the development satisfies the policies elsewhere in the Plan. Applicants then need to demonstrate, through a marketing exercise or viability assessment, that there is no realistic prospect of the site being used for employment purposes within the plan period or that the development would help to achieve the local and strategic objectives of the HMR programme.

4.24 There is further information on the PEZ policy in Oldham's 'Assessment of Employment Sites' Supplementary Planning Document (SPD). This gives further information as to what the council would expect applicants to include within a marketing exercise and a viability assessment and also gives further information on how the local and strategic objectives of the HMR programme. There is a similar policy in place to prevent housing and/or community uses from being developed on sites that are currently or were last used for employment generating uses. Again the SPD provides more information on how applicants can satisfy this policy.

Oldham Economy and Enterprise Strategy and Action Plan (Oldham Partnership 2006)

4.25 Objectives of the strategy include:

- To maintain high economic activity;
- To improve the skills of the local workforce to meet the needs of business and industry;
- To improve access to and the quality of employment opportunities;
- To encourage sustainable regeneration;
- To support creation of new businesses;

- To implement the wealth creation proposals of Oldham Beyond;
- To improve the image of Oldham;
- To conserve the best of the built environment;
- To assist disengaged people to the labour market;
- To target areas where unemployment rates are concentrated.

Oldham and Rochdale Prospectus Investing in Jobs, Homes and Communities (Oldham and Rochdale Economic and Skills Alliance (ORESA June 2009))

4.26 The prospectus is the foundation of a single conversation with the Homes and Communities Agency and North West Development Agency and sets out the two boroughs' opportunities, achievements and challenges at the current time. The vision of the prospectus is:

"By 2020 Oldham and Rochdale will be thriving, playing a new and dynamic role in the world-class Manchester City region.

Renewed economic prosperity will be supported by our transformed housing markets, which will assist in creating sustainable, cohesive communities.

The boroughs will be great places to live for existing and new residents. Residents will enjoy higher income levels, quality local facilities and an excellent quality of life within our urban and rural areas."

4.27 The aim of the strategy is to diversify and grow both the employment and the housing base so that a strengthened Oldham and Rochdale will improve the overall performance of the City Region. It states that together the boroughs will play a supporting and complementary role as part of the multi-centred Manchester region.

4.28 In relation to jobs the aim is to create a broad based, diversified economy with a higher GVA per capita. There are a number of facts and figures included within the report in relation to the Oldham and Rochdale area, including:

- The area has a low productivity – GVA per capita – compared with the City Region.
- The 'stock' of businesses is low – 480 businesses per 10,000 population compared with 600 nationally.
- The area has the oldest stock of business premises in the country

4.29 The prospectus states that that together these show that the area does not currently have the property or land profile to meet the requirements of the modern economy. In relation to jobs the prospectus states that, 'Oldham and Rochdale will need to maximise job opportunities linked with housing and regeneration programmes to benefit the local labour market and local businesses through supply chain opportunities and construction related employment'.

4.30 Hollinwood employment area, Broadway Business Park and the land at Foxdenton is described as Oldham's M60 Employment Zone of strategic importance. However the report also discusses the importance of identifying different types of sites to cater for different and specialist types of businesses. It states that these are likely to be located in good quality, local employment sites. Priority is given to local sites that relate closely to Housing Market Renewal areas, deliver services to growing Town Centres and focus on key Metrolink stops.

- 4.31 The document also discusses issues surrounding housing, transport, communities, health and education.

Oldham's Sustainable Community Strategy 2008-2020 and Local Area Agreement 2008-2011 (Oldham Partnership 2008)

- 4.32 Oldham's vision for 2020 is, 'Oldham a place where everyone is proud to belong' by 'increasing life opportunities for all'. Within the Sustainable Community Strategy, one of the themes is 'Economic Prosperity' and the vision for the economy is, 'A thriving borough, playing a new and dynamic role in a world class Manchester City Region'. To achieve this vision it goes on to say that 'there is a need to improve employment opportunities for local people, enhance skills attainment and create an environment which encourages enterprise and investment'.

- 4.33 To achieve the vision it states it will:

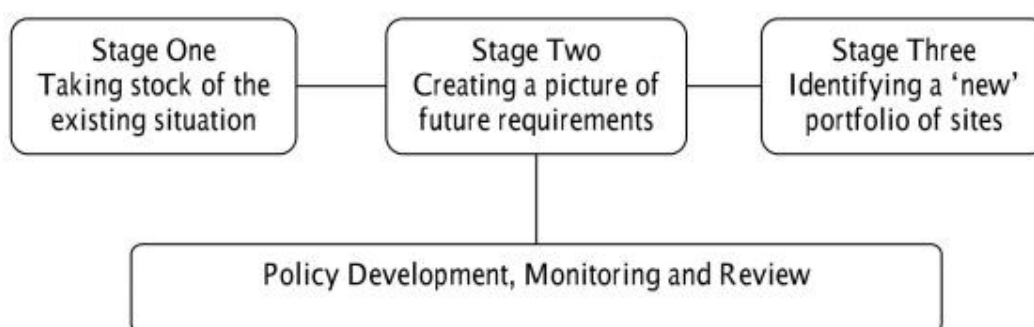
- encourage a restructuring of the local economy so that knowledge based growth sectors are more strongly represented;
- increase the proportion of the working age population which is economically active;
- continue to drive up the levels of educational attainment;
- transform the borough's secondary education facilities;
- raise the levels of skills;
- make major improvements to the borough's Further Education and Higher Education facilities;
- improve the quality of the offer of sites and premises for businesses;
- maximise the potential of Oldham Town Centre and the borough's local town centres to capture growth sector economic activity;
- improve sustainable transport links between the borough and other key locations in the city region; and
- improve and maintain the transport infrastructure network.

5 Guidance and Research on Employment Land Reviews

ODPM Employment Land Reviews: Guidance Note

- 5.1** In December 2004 ODPM published a guide to provide planning authorities with effective tools with which to assess the demand for and supply of land for employment. The guide provides specific advice to help planning authorities to identify an up to date and balanced portfolio of employment sites in Local Development Frameworks (LDF's).
- 5.2** The objectives of the guide are to help local planning authorities:
- assess the future demand for employment land;
 - assess the future supply of sites for employment;
 - assess the suitability of individual sites, whether existing, permitted or proposed for employment uses;
 - identify sites that are clearly unlikely to be required by the market or are now unsuitable for employment development;
 - develop appropriate future policies and proposals in Regional Spatial Strategies (RSS), but more particularly in LDF's;
 - improve systems for monitoring outcomes and reviewing employment policies and programmes.
- 5.3** A single methodology is not being prescribed. Local authorities will need to adapt the advice to suit particular local circumstances. The guide presents a three stage approach to this Final ELR as shown in Figure 1:

Figure 1 Employment Land Review Process



Stage One: Taking stock of the existing situation

- 5.4** This stage is an assessment of the 'fitness for purpose' of the existing employment land portfolio. This should help to identify the 'best' employment sites to be retained and protected and identifying sites that should be released for other uses.

Stage Two: Creating a picture of future requirements

- 5.5** This stage is the assessment of future requirements for employment land. Local authorities should use a range of complimentary techniques to provide a full picture at the regional, sub-regional and local scales. The main objective of this stage is to quantify the amount of employment land required across the main business sectors during the plan period.

Stage Three: Identifying a 'new' portfolio of sites

- 5.6** This stage will confirm which sites should be retained and protected and those which should be released for other uses. Where there are identified gaps in provision, a site search will be required where potential new sites are subjected to rigorous assessment in order to create a 'balanced' portfolio.

North West Regional Employment Land Study

- 5.7** This study was published in 2005 and forms a key part of the North West RSS evidence base. The study aimed to provide an up to date, accurate and robust assessment of the quantity and quality of existing B1, B2 and B8 employment land in the North West, and the extent to which this land could meet projected future demand for the period of the RSS up to 2021.
- 5.8** The study did not provide employment land requirements at a borough level; Oldham was included within the projections for the Greater Manchester sub region. The report identified 1,368 hectares of allocated or committed employment land in the Greater Manchester sub-region. With the sub-region having average annual take up rates of 112.2 hectares, that this represented a 12 year supply. The report recommended that the region have an 18 year supply of employment land (to cover the plan period) and therefore concluded that additional land would be required to cover this period, though it did not specify which borough's this should be located in.

Demand for Employment Land in Greater Manchester

- 5.9** Manchester Enterprises commissioned Arup along with Donaldsons in 2005 to undertake a Market Demand Study for Employment Sites across the ten districts of Greater Manchester. The purpose was to determine whether Greater Manchester has the right employment site capacity, with the right infrastructure in place in the right locations to accommodate its employment forecasts.
- 5.10** The analysis was undertaken using two methodologies, one which analysed econometric forecasts and one that was based on projections of historic take up of employment land across Greater Manchester. The econometric analysis was based on a full set of economic forecasts produced in February 2005 by Oxford Economic Forecasting (OEF) for Greater Manchester. These forecasts were updated in November 2005. These forecasts were considered as the 'Reference Case'. The 'reference case' was supplemented by an independent model run in January 2006, which sought to factor in a further set of 'optimistic scenario' assumptions that would lead to a step-change in the Greater Manchester sub-region's economic performance up to 2021.

- 5.11** For Greater Manchester, the manufacturing sector was reported as declining under both the 'reference' and the 'optimistic' scenarios, with an estimated decline of 46% and 42% respectively. Textiles and leather were forecast to decline in employment levels by almost double that for the manufacturing sector on a whole, under the reference forecast and optimistic scenario employment was forecast to decline by 85%. Employment in the chemicals sector is forecast to decline by 44% under the reference forecast and 41% under the optimistic scenario. Employment in the construction sector is forecast to increase by 5% under the reference forecast and 8% under the optimistic scenario. Overall, employment in Greater Manchester was forecast to increase by between 7.5-13%. However in North Manchester employment was forecast to grow by between 1-5% and in the South by a higher amount of 11-18%.
- 5.12** With regard to industrial structure, the report found that Oldham's economy had three times the national representation of people employed in the textile and leather industry, more than double the norm for electrical and optical and other manufacturing, and the highest representation of distribution employees in the sub-region. It had a low representation in the service industries, particularly in the research and development, legal and accounting, architecture, advertising, and industrial cleaning fields.
- 5.13** Average annual take up rates for Oldham was taken to be 7.6 hectares, meaning that out of the ten authorities in Greater Manchester Oldham is ranked eighth in terms of average take up rates.
- 5.14** Using the OEF model in Greater Manchester requirements for B1 could be as high as 189 hectares between 2005 and 2021 (or 104 hectares under the reference forecast). B2 requirements is projected to decline by 380 and 470 hectares while B8 requirements could be as high as 144 hectares or as low as 25 hectares. This varies significantly from the historic take up based forecast with estimated requirements for B1 of 335 hectares, B2/B8 of 666 hectares and 1154 hectares for general B1/B2/B8. If a churn allowance was included of 20% the total requirement rises to 2150 hectares. Although the Study does not give an indication of the employment land requirements for specific local authorities based on the OEF model it does however provide a breakdown based on the historic take up projections. According to those projections employment land requirements in Oldham is estimated to be around 146 hectares for general B1/B2/B8 including a flexibility factor of 20%.

Assessment of Employment Land in Greater Manchester

- 5.15** Following on from the 'Demand for Employment Sites in Greater Manchester' study, Donaldsons were instructed to undertake an assessment of the quality of key employment sites, as identified by the local authorities, and their ability to meet the demand from the identified growth sectors. Oldham identified five sites and the study concluded that:
- Broadway/Greengate is an established and credible mixed use employment area. Remaining sites within the area represent a good proposition for general industry and logistics activities, with some potential for small scale office development.
 - The Hollinwood area is not yet established. However, the opportunity to create a high quality office environment (particularly to the South of the motorway interchange- Albert Street) has good potential.
 - Within Oldham Town Centre, along Union Street the programmed delivery of the Metrolink line to Mumps station, and the redevelopment of the town hall location,

will create a high quality urban setting capable of attracting further commercial and office development in the medium term.

Greater Manchester Employment Land Position Statement

5.16 In May 2009 the Association of Greater Manchester Authorities (AGMA) commissioned Nathaniel Lichfield and Partners (NLP) to produce a position statement on employment land provision across the ten Greater Manchester districts. One of the main outputs of the piece of work is to disaggregate the employment land figure provided in Policy W3 of the North West Regional Spatial Strategy down to district levels. This is discussed in more detail in Chapter 4. Another element of the report however was to provide a broad methodology for carrying out Employment Land Reviews that districts could follow to ensure consistency in the City Region. NLP, in chapter 8 of the Position Statement, use the ODPM Guidance Note summarised previously as a starting point for deriving a common ELR methodology for Greater Manchester authorities. NLP highlight that it is not rigid guidance and in particular there is a high degree of flexibility in the fine detail of the demand calculations which could remain specific to individual districts.

Stage one: Taking stock of the existing situation

5.17 The report recommends LPA's collate data on land stock and revealed demand, looking at employment space change by type (5 years+), age of premises by type, completion rates, losses of employment space, total employment land allocated, available and committed, and amounts of employment land in adjoining districts. An appraisal should then be carried out of sites, the appraisal should be tailored to the individual needs and aspirations of each district. Sites should be ranked based on good, average and lower quality ratings. These ratings should support rather than determine the decision for each site.

Stage two: Creating a picture of future requirement

5.18 The report recommends this section should provide an assessment of the commercial property market, establishing local economic conditions and trends. Analysis should seek to identify key factors in underlying attractiveness/lack of attractiveness. It goes on to outline three methods of estimating future requirements they are:

- Projecting past take-up rates forward
- Econometric modelling
- Comparing likely available labour supply with forecast increase in jobs

5.19 It then gives further guidance on how to translate employment forecasts in to land requirements, giving guidance on how to convert jobs into floorspace, what plot ratios to apply and discusses if and when a flexibility factor should be applied. It also recommends up to 3 GMFM scenarios are used and evidence should be provided as to which growth scenario is most appropriate for the district.

Stage three: Identifying a 'new' portfolio of sites

5.20 This stage should involve a comparison of the estimated future requirement with the current supply and should also consider the scope to release any surplus land which is unsuitable for future needs. If a district identifies a shortfall of employment land over the plan period this stage would seek to identify potential new sites. The report says

potential new sites would be identified through earlier Call for Sites exercises and sites identified through criteria such as extension of existing employment areas, good access to main roads etc. Potential new sites should then be assessed using the same criteria as existing sites.

- 5.21** The report states that it is essential that monitoring of the employment land situation is undertaken to determine how each area performs against the preferred scenario and whether any revisions are required to LDF allocations.

6 Qualitative Demand Analysis

- 6.1** As part of the contextual element of this Final ELR, it is important to include a market appraisal to describe current trends in the office and industrial sectors.
- 6.2** The regeneration of existing industrial property stock has generally, in the past, been the refurbishment and subdivision of single storey steel frame industrial complexes. However over the past decade or so there have been more new build industrial and office development schemes completed in the borough. The turnaround has in part been brought about through the direct intervention of the council in actively acquiring and assembling larger development sites but also the prevailing market conditions and new section of the M60 motorway have been major contributing factors. Demand for industrial accommodation has always been high in Oldham given its location with high occupancy levels on all the estates. However given its improved accessibility due to the new section of the M60 and the fact that larger development sites have become available its reputation as an office location has also been significantly improved.

With the recent credit crunch developers have started to take a more cautious approach to new build developments. The effects of the recent economic downturn are already filtering through with both industrial and office availability having increased over the last twelve months whilst demand and new enquiries have fallen in the same period.

Office Sector

- 6.3** The office market in Oldham has historically been relatively limited but the opening of the M60 through the western half of the borough has brought new vigour to the commercial and industrial property market. Sites in Oldham now enjoy better access to the airport, and the South Manchester and Cheshire markets. This is stimulating greater interest among developers and office development has been growing in volume with modern offices being developed in a number of locations in the borough including:
- Southlink Business Village which has 13,600sqm of office space fully occupied by company's such as the Primary Care Trust, the DVLA, NSPCC, and Pilgrim International.
 - Junction 22 Business Park – The development of a new 5,109.5sqm of office space, the development consists of eight units, four of which have been sold and two of which are under offer and the remaining two are on the market priced at £145sqm leasehold and £1,668sqm long leasehold.
 - Hollinwood M60 Junction - The development of a new 4,645sqm office headquarters by Northern Counties.
 - The New Hollinwood Business District. - The site is close to junction 22 of the M60. Proposals for this site include a two-phased development of 9,290sqm of office space that is due for completion by 2011.
 - Kings Point – a new 'Grade A' specification speculative office development within Oldham town centre providing 3,278.5 sqm of accommodation. The property has been marketed at approximately £150 sqm leasehold.

Howarth Court– a speculative development of detached and semi-detached offices on Oldham Broadway Business Park providing a total of 5,302 sqm. All units have been sold other than one unit which is still available.

- 6.4** Historically, Oldham has not been able to command high rental income for office accommodation compared to the other locations in Greater Manchester. Market prices range between £75 - £160 per sqm and this varies depending on locations, quality and size; however five years ago these rates were between £53 - £112 per sqm. This uplift shows that there is growing demand for high quality office accommodation in Oldham.
- 6.5** Given the recent downturn in the global economy it is estimated that prime yields for office accommodation have increased to somewhere in the region of 7.5 - 8% depending on location, size and covenant strength. In terms of rents values have fallen from a peak in the region of £160 per sqm to somewhere in the region of £130 per sqm.

Industrial/Distribution Sector

- 6.6** The industrial market in Oldham is characterised by varying qualities of industrial accommodation. Firstly, there are some high quality prime industrial locations with modern accommodation (such as Oldham Broadway Business Park, Junction 22 Business Park, and Salmon Fields Employment Park). In contrast secondary industrial locations exist (such as Belgrave Mill, Meek Street Industrial Estate) consisting of poor quality and older stock.
- 6.7** Rental values vary dramatically depending on the size quality and location of the property they can range from between £30sqm to £80sqm.
- 6.8** For industrial accommodation, at the peak, prime yields were achieving under 8% in contrast to yields in secondary location which were achieving between 8% to 8.5% dependant on location, size and the tenants covenant strength. However given the current market conditions the yields will have increased to in the region of 8.5 – 9.5% respectively.

Key Employment Sites in Oldham

- 6.9** As demand for new business space around the M60 grows, the Oldham Broadway Business Park, which has direct access to Junction 21, has become a focal point of the borough's commercial property market.
- 6.10** Developed by Oldham Council, the business park is home to a range of businesses including, Widdop Bingham, Banner, Astron, Wincanton, The Vehicle Inspectorate, Iron Mountain, Trouvey & Caubin, and a state of the art Police Headquarters. In total 79,897sqm has been completed representing private sector investment in excess of £50 million and jobs for over 1,500 people.
- 6.11** In the recent past Gladman Developments and Teesland Industrial Development Group have both built speculative developments on the park. Gladman Developments have developed high quality office accommodation of 5,302sqm. Teesland IDG built two

industrial/warehouse units 3,809sqm – 17,001sqm which are available for sale or long leasehold (minimum term 10 years) at a rent of £54 - £59smq dependant on strength of covenant.

6.12 Other new builds/recent refurbishments on Oldham Broadway include:-

- Broadway 21 two new industrial units 17,126sqm and 3,901sqm
- Broadgate Point, office development 466sqm to 1,416sqm
- Cobalt 2, a new scheme that will provide industrial and warehouse units to a high specification, nine new units have been proposed ranging from 706sqm to 3,995sqm

6.13 The borough has a number of other modern business parks. Salmon Fields Employment Park in Royton with its access to the A627 (M) is the home of 3663, James Briggs, Quantum and Metool. Hargreaves Developments have recently completed their development of 17 units. The scheme has provided a total of 3,700sqm of new modern office facilities, the majority of which have been pre-sold. Several purchasers are new businesses locating the borough.

Business Centres

6.14 Once dominated by big employers, Oldham is now fertile ground for small growing companies. The factory and mill buildings that once provided jobs for thousands of residents have become enterprise hotspots for a new generation of businesses.

6.15 The council-owned Falcon Business Centre contains 4,646sqm of high quality office, studio and workshop space in a converted velvet mill. Nearly 70 enterprises currently operate from the Centre, among them IT and TV companies, accountants and printers.

6.16 Oldham Business Centre provides 4,640sqm of high quality business space. Currently half the building is given over to the University Centre Oldham, whilst the other half is occupied by the council.

6.17 The Acorn Centre, a former Ferranti facility in Derker, owned by the council, provides small units from 24sqm to 202sqm.

6.18 The council is also a joint venture partner with the Meridian Development Company in two other business centres, Hollinwood and Saddleworth. Collectively these centres provide 13,935sqm of office and workshop space on low cost terms. The centres enjoy full occupancy with 180 companies employing over 600 people.

Ongoing Development

6.19 Planning consent has now been granted for a mixed development on the former Knoll Spinning property at Greenfield. The proposals include new food store, business units, residential development and a new canal side marina development.

6.20 The University Campus Oldham has extended its existing facility at the Oldham Business Centre and completed the development of a 2,323sqm specialist teaching facility in September 2008.

6.21 Other planning applications have been made including the former EDM building on Manchester Road which includes the demolition of an existing industrial unit to be replaced by a new build three and four storey commercial office development (3,716sqm).

6.22 However given the current economic climate it is unlikely that developments will commence on a speculative basis for foreseeable future.

Vacancy Rates

6.23 Table 2 indicates that vacancy rates in Oldham are low compared to the surrounding local authorities, especially when compared to neighbouring Manchester. In the past low vacancy rates give developers confidence to build speculatively, as this demonstrates that there is demand for commercial property in the borough.

Table 3 Estimated Vacancy Rates (per cent) Greater Manchester Local Authority Districts 1998/99-2004/05

District	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05
Bolton	14	12	11	13	16	11	8
Bury	7	7	7	9	9	9	8
Manchester	21	22	22	21	16	17	18
Oldham	8	8	8	10	9	9	9
Rochdale	7	8	9	8	9	10	11
Salford	11	11	12	14	14	13	12
Stockport	15	12	12	13	13	13	13
Tameside	8	8	8	9	10	9	8
Trafford	7	6	6	5	6	6	10
Wigan	6	7	7	8	8	8	9

(Source ODPM Commercial and Industrial Property Estimated Vacancy Statistics 04/05)

Conclusions

- 6.24** Demand for self contained single occupancy office accommodation up to approximately 1,000sqm has been strong proven by the immediate sale of the newly completed Gladman Development on Oldham Broadway, however the larger office spaces generally take longer to let/sell.
- 6.25** Demand for smaller general industrial units has also been strong with a distinct shortage of freehold accommodation on the market; with the continued pressure for residential development on these sites the smaller freehold units around Oldham are attracting a premium.
- 6.26** Demand for small warehouse/distribution units has also been high, this being gauged by the amount of speculative build that has recently been undertaken on Oldham Broadway.
- 6.27** With this increased supply of high quality larger accommodation with excellent arterial links, the borough should now be in a strong position to attract and retain larger scale distribution activity although the current global economic climate may deem otherwise in the short to medium term.

7 Current Supply of Employment Sites

- 7.1** This chapter of the report consists of two parts. One was a study undertaken by Donaldsons in 2007, which assessed the 'fitness for purpose' of the current, available employment sites. The second was a survey of the Primary Employment Zones (PEZ) allocations that was carried out by the council in 2006/07.
- 7.2** Oldham's UDP allocated 75.93 hectares of land allocated for Business and Industry, and a further 10.33 hectares for Mixed Use development giving a total 86.26 hectares of employment land in the borough. In January 2007 Donaldsons was commissioned by the council to assess the 'fitness for purpose' of the current portfolio of available employment sites within the borough. For this study sites below 0.4 hectares were excluded, giving a starting point of 84.93 hectares of allocations to be assessed. Table 3 gives a list of the 84.93 hectares in the UDP with some information as to how much of the site, if any, was looked at as part of the Donaldsons study. Sites that were looked at are in bold.

Table 4 Employment Allocations

Site Reference	Site Address	Allocated Area (hectares)	Area Assessed by Donaldsons
B1.1.3	Mersey Road North/Albert Street, Hollinwood	0.93	Whole site
B1.1.5	Land at Sellers Way, Hollinwood	0.99	Whole site
B1.1.6	White Moss View, Greengate, Chadderton	1.23	Part of site (0.70) –remaining land under construction
B1.1.7	Land at Greenside Way, Chadderton	0.62	None - Site is used for underground storage
B1.1.8	Land at Greengate, Chadderton	1.22	Whole site
B1.1.9	Land at Moston Road, Chadderton	1.58	Whole site
B1.1.10	Land at Junction Mill/Foxdenton Lane, Chadderton	6.39	Part of site (4.19) – remaining land developed
B1.1.11	Causeway North, Oldham Broadway Business Park, Chadderton	7.26	Part of site (4.98) - remaining land under construction

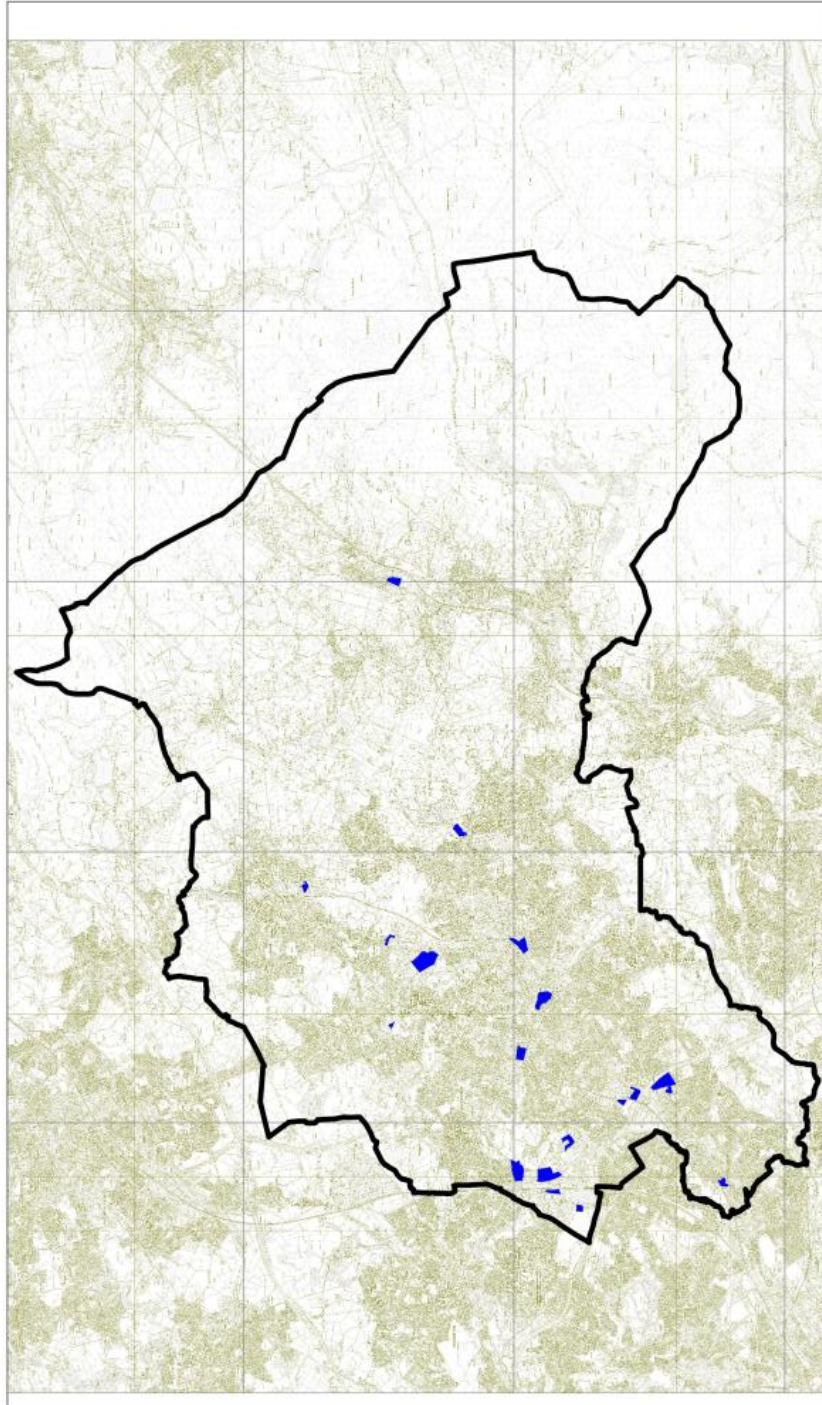
Site Reference	Site Address	Allocated Area (hectares)	Area Assessed by Donaldsons
B1.1.12	Land at Oldham Broadway, Chadderton	0.77	None – site is developed
B1.1.13	Oldham Broadway Business Park, Chadderton	0.63	None – site is developed
B1.1.14	Gateway Crescent, Oldham Broadway Business Park, Chadderton	1.44	None – site is developed
B1.1.15	Gateway Crescent, Oldham Broadway Business Park, Chadderton	1.62	None – site is developed
B1.1.16	Oldham Broadway Business Park, Chadderton, Oldham	0.95	None – site is developed
B1.1.18	Ram Mill, Gordon Street, Chadderton	2.02	Whole site
B1.1.19	Land at New Coin Street, Royton	0.40	Whole site
B1.1.20	Land at High Barn St/Edge Lane St., Royton	0.64	Whole site
B1.1.21	British Gas, Higginshaw Lane, Royton	10.06	Part of site (6.54) - excludes the gas holder on site
B1.1.22	Land at Meek Street, Royton	4.05	None – site is under construction
B1.1.24	Royton Moss, Moss Lane, Royton	7.08	Part of site (3.49) - remaining land under construction
B1.1.25	Land at Clarence Street, Royton	0.93	Whole site
B1.1.26	Land at Beal Lane, Shaw	1.07	Whole site
B1.1.28	Land at Huddersfield Road, Diggle	2.60	Whole site
B1.2.1	Southlink Business Park	2.39	Part of site (0.4) – remaining land developed

Site Reference	Site Address	Allocated Area (hectares)	Area Assessed by Donaldsons
B1.2.2	Sefton Street, Hollinwood	2.40	Part of site (1.61) - remaining land under construction
B1.2.3	Union Street West/Oldham Way, Oldham	0.99	Whole site
B1.2.4	Oldham Way/Mumps, Oldham	1.70	Whole site
B1.2.5	Primrose Street/Crossbank Street, Oldham	3.78	Whole site
B1.2.6	Albert Street, Hollinwood	6.77	Part of site (5.49) – excludes the gas holder on site
B1.2.7	Stable Street, Hollinwood	2.09	Part of site (0.41) – remaining land developed
M1	Frenches Wharf/Wellington Road, Greenfield, Saddleworth	4.76	None – site is under construction
M2	Lumb Mill, Huddersfield Road, Delph, Saddleworth	1.4	None – site is under construction
M3	Land at Oldham Road/Hardman Street, Failsworth	1.56	Part of site (0.76) - remaining land developed
M4	Huddersfield Road/Dunkerley Street, Oldham	2.61	None – site is under construction
Total (hectares)		84.93	47.42

7.3 Donaldsons assessed 47.42 hectares of Oldham's allocated land. They also looked at two other sites and assessed them, Orb Mill in Waterhead and a waste allocation on Arkwright Street, Chadderton.

7.4 The sites that Donaldsons assessed are shown in Map 1.

Map 1: Sites Assessed by Donaldsons



Drawn by:	
Division:	
Drawing no:	
Date: 22/09/09	Scale: 1:99000

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- 7.5** A site assessment proforma was developed by Donaldsons comprising of criteria in three groups:
- Market Attractiveness criteria;
 - Sustainable Development criteria; and
 - Strategic Planning criteria.
- 7.6** Each of the sites were assessed against each criterion giving a total score for each group of criteria and an overall quality score. While assessing the sites Donaldsons gave market attractiveness criteria a higher weighting than sustainable development criteria and strategic planning criteria by scoring it out of 50 as opposed to 35. In light of comments received on the Draft ELR consultation it is now not felt appropriate to give one section a higher weighting than the other two sections so the scoring mechanism has been adjusted to ensure that all three sections are equally weighted.
- 7.7** Originally Market Attractiveness factors were each scored out of five, so with ten questions, equalled a possible score of 50. To alter the scoring mechanism the ten questions were instead scored out of 3.5 giving a total possible score of 35. The remaining scores were calculated pro-rata. Table 5 demonstrates how the points were redistributed.

Table 5 How Donaldsons score was revisited to give equal weighting to each criterion

Score given by Donaldsons	1	2	3	4	5
Score given to recalculate weighting	0.5	1.5	2	3	3.5

- 7.8** The identified quality thresholds set by Donaldsons have also been altered to reflect the changes in the scoring mechanism as the maximum possible score is 105 as opposed to 120. The thresholds set are:
- Any site scoring over 70 out of 105 should be protected as employment allocations in (as opposed to 80 out of 120 in the Donaldsons report).
 - Any site scoring below 57 out of 105 should be given careful consideration as to its future as an employment site (as opposed to 65 out of 120 in the Donaldsons report).
- 7.9** The study found that sites tend to be clustered in four general locations within the borough; Broadway Business Park, Hollinwood, Oldham Town Centre and Higginsshaw. Sites in the Broadway industrial area, Hollinwood and in Oldham Town Centre were considered to be most attractive to the market. However, Broadway sites did not score as well in relation to sustainability and strategic planning, whereas Oldham Town Centre and Hollinwood sites were amongst the highest scorers. Sites in the Higginsshaw industrial area scored moderately in relation to all three groups of criteria.
- 7.10** Outside of these established employment locations, sites were generally less attractive in market terms. In addition, those sites in the east of the borough and at the periphery of the built up area of Oldham were also found to be less sustainable and less able to deliver strategic planning objectives.
- 7.11** Table 4 shows the updated score and any comments the council has in relation to the site.

Table 6 Donaldsons conclusions and council's response

Site Type	Site Reference	Site Name	Size Remaining (Ha)	Proposed Use	Rewighted Score (max 105)	Council Comments
Business and Industry	1.2.2	Sefton St, Hollinwood	1.61	B1	83	Propose to retain as a employment allocation.
Business and Industry	1.2.6	Albert St. Hollinwood	5.49	B1	82.5	Propose to retain as a employment allocation. The allocation measures 6.77 hectares – Donaldsons excluded the Gas Holder.
Business and Industry	1.2.1	Southlink Business Park	0.4	B1	82.5	Propose to retain as a employment allocation.
Business and Industry	1.2.7	Stable St, Hollinwood	0.41	B1	82	Propose to retain as a employment allocation.
Business and Industry	1.1.10	Junction Mill, Chadderton Broadway	4.19	B1 / B2	80	Propose to retain as a employment allocation.
Business and Industry	1.1.3	Mersey Rd, Hollinwood	0.93	B2	78	Propose to retain as a employment allocation.
Waste	1.2.1	Waste Site, WestwoodInd	3.1	B2	77.5	This waste allocation has planning permission for a waste treatment facility and is currently under construction. It is not considered appropriate to include this site as an employment site.

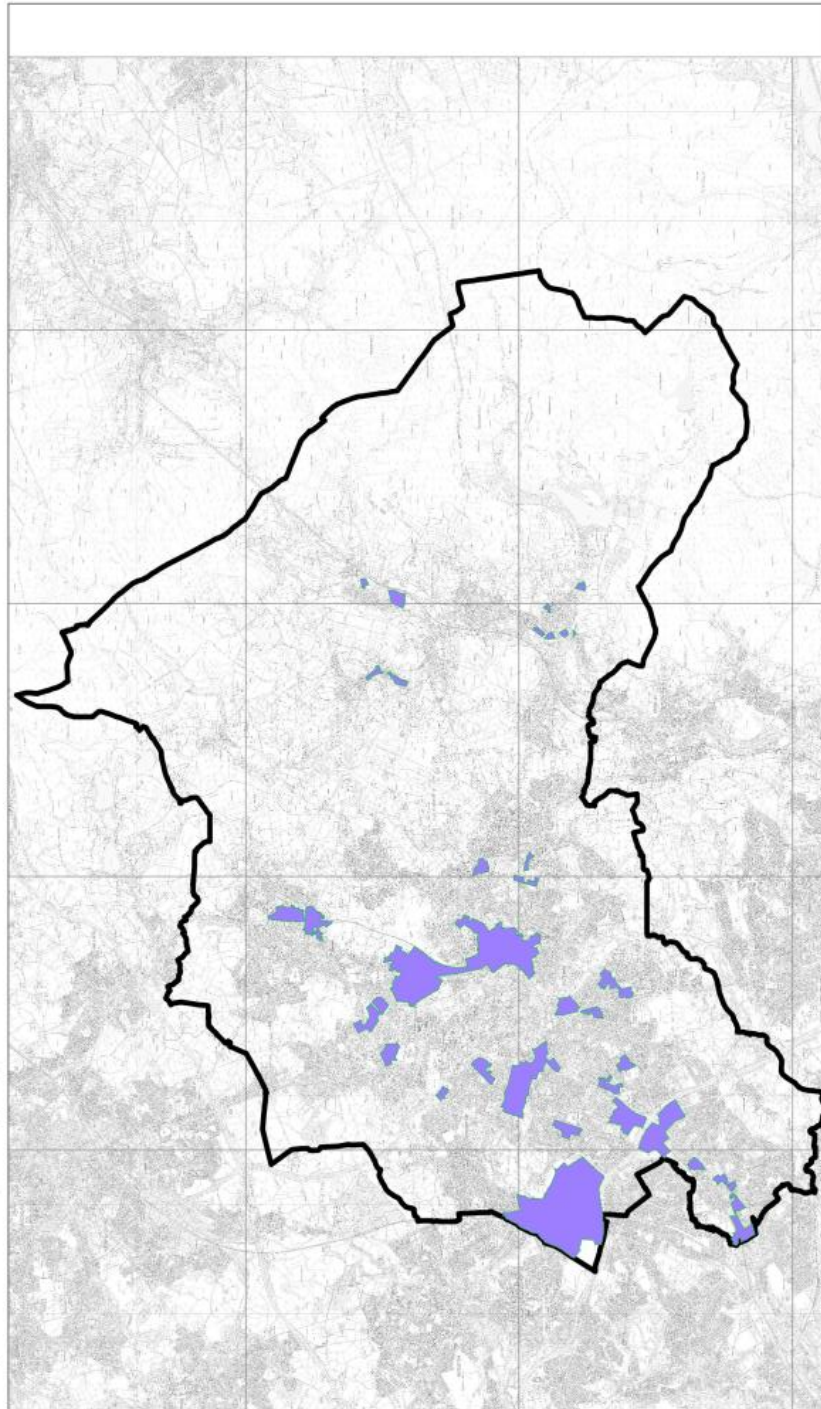
Site Type	Site Reference	Site Name	Size Remaining (Ha)	Proposed Use	Rewighted Score (max 105)	Council Comments
Business and Industry	1.1.8	Greengate, Chadderton	1.22	B1	77.5	Propose to retain as a employment allocation.
Business and Industry	1.1.11	Causeway North, Broadway	4.98	B2	77	This site is now developed the land is no longer available.
Business and Industry	1.1.5	Sellers Way, Hollinwood	0.99	B2	75.5	Propose to retain as a employment allocation.
Business and Industry	1.2.5	Primrose St/Crossbank St	3.78	B1	75	Propose to retain as a employment allocation.
Business and Industry	1.1.6	White Moss View, Greengate Ind Pk	0.7	B2	75	This allocation is currently under construction and therefore unlikely to be available in the future.
Business and Industry	1.1.21 B	British Gas, Royton (South)	2.91	B2	72.5	Propose to retain as a employment allocation.
Business and Industry	1.1.21 A	British Gas, Royton (North)	3.63	B2	71	Propose to retain as a employment allocation.

Site Type	Site Reference	Site Name	Size Remaining (Ha)	Proposed Use	Rewighted Score (max 105)	Council Comments
Business and Industry	1.1.24	Royton Moss, Royton	3.49	B2 / B8	70	Propose to retain as a employment allocation, however part of this allocation is currently under construction and therefore unlikely to be available in the future.
Mixed	3	Oldham Rd/Hardman St, Failsworth	0.76	B1 / B2	70	Propose to retain as a employment allocation.
Business and Industry	1.1.19	Coin St, Royton	0.4	B2	67	Donaldsons concluded that the site had no prospect of being taken up in the next 5-10 years. A planning application has been submitted for a residential development on this allocation. Should it be approved the site will no longer be available.
Business and Industry	1.2.3	Union St/Oldham Waycutting	0.99	B1	66.5	Donaldsons concluded that the site had no prospect of being taken up in the next 5-10 years.
Business and Industry	1.1.20	High Barn St, Royton	0.64	B2	66.5	Propose to retain as a employment allocation.
Business and Industry	1.2.4	Oldham Way/Train Station	1.70	B1	66	Donaldsons concluded that the site had no prospect of being taken up in the next 5-10 years.
Business and Industry	1.1.18	Ram Mill, Chadderton	2.02	B2	63.5	Propose to retain as a employment allocation.

Site Type	Site Reference	Site Name	Size Remaining (Ha)	Proposed Use	Rewighted Score (max 105)	Council Comments
Business and Industry	1.1.9	Moston Rd, Chadd/Broadway	1.58	B2 / B8	58	Donaldsons concluded that the site had no prospect of being taken up in the next 5-10 years.
Unallocated	1	Orb Mill, Waterhead	2.65	B2	58	This site now has outline planning permission for a school under the Building Schools for the Future programme. It is not considered appropriate to include this site as an employment site.
Business and Industry	1.1.28	Huddersfield Road, Diggle	2.6	B2	55	Propose to retain as a employment allocation.
Business and Industry	1.1.26	Beal Lane, Shaw	1.07	B2	50.5	Donaldsons concluded that the site had no prospect of being taken up in the next 5-10 years. This is no longer appropriate as the site along with surrounding land was subject to a planning application in 2008 for a high bay warehouse. Although the application was refused the fact an application was submitted is evidence to suggest that the site does have the potential to come forward.
Business and Industry	1.1.25	Clarence Street, Royton	0.93	B2	48	Donaldsons concluded that the site had no prospect of being taken up in the next 5-10 years.
			53.17			

- 7.12** Donaldsons concluded that six sites had no prospect of being taken up in the next 5-10 years. Those sites were Clarence Street, Beal Lane, Coin Street, Moston Road, Union Street/Oldham Way Cutting and Oldham Way/Train Station. As mentioned in the Table 6 the council received a planning application for a high bay warehouse on the Beal Lane Site that, although it was refused on design and amenity grounds, demonstrates that the site does have potential to come forward. For that reason the council does not accept Donaldsons conclusion on the Beal Lane site. If the council was to take forward Donaldsons recommendations on the other five sites through the Site Allocations DPD this would equate to a loss of 5.6 hectares.
- 7.13** As the site assessments were carried out in 2007 the development status of some of the allocations has now moved on. Business and Industry allocation B1.1.11 Causeway North has now been developed. Orb Mill now has planning permission for a new school under the Building Schools for the Future programme and is therefore no longer considered appropriate to be included in Oldham's employment land figures. The Waste site on Arkwright Street is now under construction as a new Transfer Loading Station so again it is not appropriate to consider the site as part of Oldham's available employment land. The three sites mentioned above that have now been excluded total 10.73 hectares this leaves 42.44 hectares of available employment sites in Oldham that is not under construction or developed.
- 7.14** When preparing the Site Allocations DPD, the council will, where appropriate, have regard to the comments and recommendations Donaldsons made.
- 7.15** Donaldsons further concluded that a shortfall in the availability of good quality sites is likely to hold back investment and development in the borough, and that it will be necessary for Oldham to allocate additional good quality sites for employment.
- 7.16** Donaldsons also assessed the potential of UDP Land Reserved for Future Development (LRFD) 3 and LRFD 4 allocations, both at Foxdenton, for employment development. Land Reserved for Future Development is land safeguarded for possible future development needs. It states in the current UDP in paragraph 11.51 that, 'In future reviews of the UDP, land that is reserved for possible future development will be the first to be considered for development if allocated sites and stocks of brownfield land are insufficient to meet needs.' Further information on how the sites scored and Donaldsons recommendations can be found in chapter 10 where possible new sites for employment land development are explored.
- 7.17** In addition to this work, the council has undertaken an assessment of the current 32 Primary Employment Zones (PEZ's) as part of it's preparations for the Core Strategy. Since the Draft ELR was produced work on the Core Strategy has progressed and the council is proposing to amend the boundaries of seven PEZ's and de-designate ten.
- 7.18** The current 32 PEZ's are shown in Map 2.

Map 2: Primary Employment Zones



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8 Quantitative Employment Land Demand Analysis

- 8.1** The next stage of the Final ELR is to assess the demand for employment land in Oldham. Since the Draft ELR was published in November 2008 a number of data sets that were used in this section of the report have now been updated. For this reason the original chapter on Quantitative Employment Land Demand Analysis and its results has been kept as it was and can be found in Appendix 1. This chapter now contains the latest information available based on updated figures and scenarios as at 2009. Both sets of results will be discussed in the conclusions in the next chapter.
- 8.2** The methodology for this section of the Final ELR has been informed by a variety of regional, sub-regional and local employment land studies and ODPM's Guidance Note.
- 8.3** Four employment land projection and forecasting methods have been looked at in this Final ELR. This has ensured that a broad analysis of the potential employment land requirements within the borough has been explored. This provides a robust evidence base on which to inform policies within the LDF.
- 8.4** The four methods are:
- Method One - Quantitative analysis of the econometric projections (AGMA's Greater Manchester Forecasting Model);
 - Method Two - Commercial and Industrial Floorspace and Rateable Value Statistics;
 - Method Three - Historic take up rates for employment land (Looking at three different periods of time 1984-2009, 1999-2009, and 2003-2009); and
 - Method Four: Labour Supply - translating the local labour supply for 2026 in to land via standard plot ratios and densities.

Method One: Quantitative Analysis of the Econometric Projections

- 8.5** The Association of Greater Manchester Authorities (AGMA) has agreed to adopt a single economic and population forecasting model that focuses on the ten Greater Manchester authorities, in order to ensure consistency throughout the sub-region. The Greater Manchester Forecasting Model (GMFM) has been developed by the Oxford Economic Forecasting (OEF), and is a complex data tool that forecasts change in the future based on past trends.
- 8.6** The most recent employee forecasts made available by OEF at the time of writing this review were the Reference Scenario 2008 and the Reference Scenario 2009.
- 8.7** **The Reference Scenario 2008** - this scenario was run in November 2008. The 2008 run differs from the 2007 run as for the 2008 scenario an expected recession for the the Eurozone and the US is factored in.
- 8.8** **The Reference Scenario 2009** - this scenario was run in autumn 2009. It differs from the 2008 run as it expects a lower dip in the economy due to the recession, and a slower increase to growth than the 2008 GMFM (where the recession was only just beginning and expectations were more positive).

- 8.9** In January 2009 OEF also produced a employment land module as part of the GMFM in which they forecast floorspace requirements for the borough. The implications of this module are also looked at.

Employment Changes for the Two Scenarios

- 8.10** Table 6 presents the employment sectors projected growth forecasts for the period 2008 - 2026 for the two scenarios.
- 8.11** In the Reference Scenario 2008, the overall baseline (2008) levels of employment are slightly lower than Reference Scenario 2009, with the number of employees in the 2008 scenario at 76,100 employees and in the 2009 scenario at 78,000 employees. However the overall increase in employees up to 2026 is higher in the 2008 scenario at 1.6% (1,200 employees) in comparison to the 2009 scenario where there is an overall decrease of 0.5% (-400 employees).
- 8.12** Manufacturing suffers the largest decline in both scenarios, however the decline is much greater in the 2009 scenario at -53% (-7,100 employees) compared to -37.7% (-4,900 employees) in the 2008 scenario. The sectors with the highest increase in employees from 2008 to 2026 are Business Services (26% in 2008 scenario, 28.6% in 2009 scenario) and the Health sector (18.2% in 2008 scenario and 21.7% in 2009 scenario).

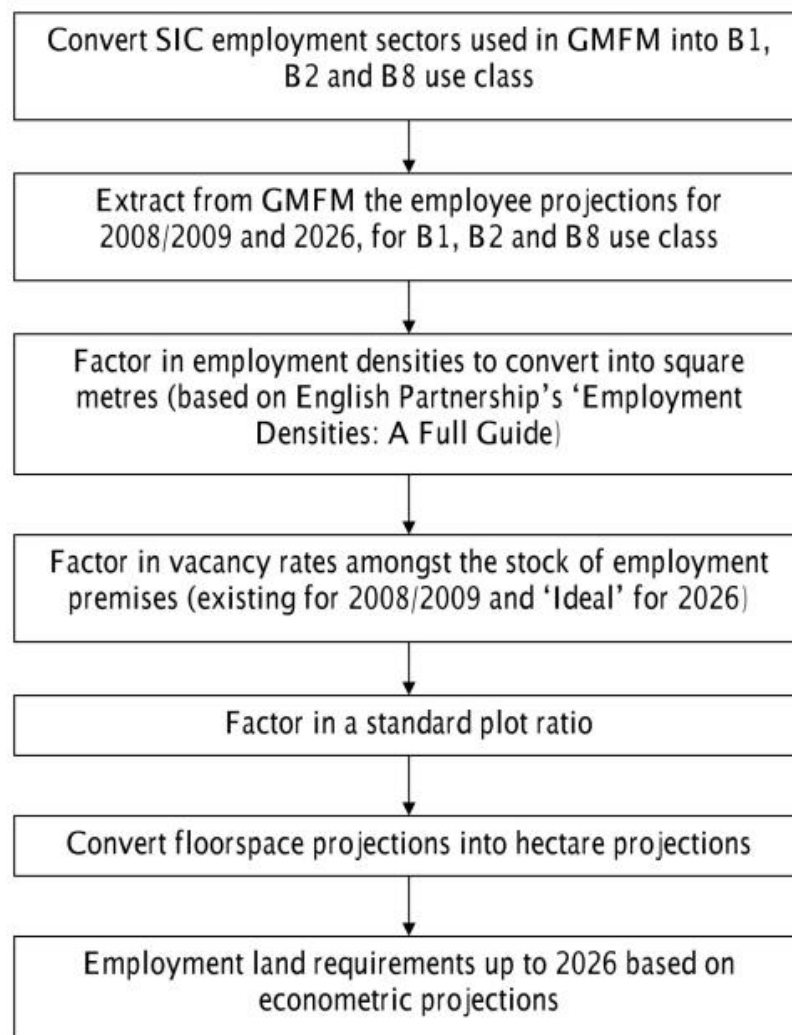
8.13 Table 7 Projected growth/decline in employment

Sector	Reference Scenario 2008				Reference Scenario 2009			
	2008	2026	Change	% Change	2008	2026	Change	% Change
Agriculture	100	100	0	0	100	0	-100	-100
Extraction	0	0	0	0	0	0	0	0
Manufacturing Total (GMFM)	13000	8100	-4900	-37.7	13400	6300	-7100	-53
Food, Drink & Tobacco	1800	1400	-400	-22.2	1700	900	-800	-47.1
Textiles, Leather & Clothing	1000	400	-600	-60.0	1200	400	-800	-66.7
Wood & Wood Products	400	400	0	0	400	300	-100	-25
Pulp, Paper & Printing	1300	700	-600	-46.2	1400	600	-800	-57.1
Coke, Oil Refining & Nuclear	0	0	0	0	0	0	0	0
Pharmaceuticals and Other Chemicals	600	300	-300	-50.0	600	300	-300	-50
Rubber & Plastic Products	1000	800	-200	-20.0	900	500	-400	-44.4
Other Mineral Products/Non Metal	0	0	0	0	0	0	0	0
Metals (basic and metal)	1900	1000	-900	-47.4	1800	700	-1100	-61.1
Machinery & Equipment nec	1500	900	-600	-40.0	1800	800	-1000	-55.6
Electrical and Optical equipment	1600	700	-900	-56.3	1700	700	-1000	-58.8
Transport Equipment	300	100	-200	-66.7	300	0	-300	-100

Sector	Reference Scenario 2008				Reference Scenario 2009			
	2008	2026	Change	% Change	2008	2026	Change	% Change
Manufacturing nec	1600	1400	-200	-12.5	1600	1100	-500	-31.3
Electricity, Gas & Water	100	100	0	0	100	100	0	0
Construction	5300	5400	100	1.9	5500	5800	300	5.5
Distribution	5800	6200	400	6.9	6000	6500	500	8.3
Retail	12200	12800	600	4.9	11200	11400	200	1.8
Hotels & Catering	3700	4000	300	8.1	3800	3900	100	2.6
Transport & Communications	3400	3300	-100	-2.9	3400	3200	-200	-5.9
Finance	1200	900	-230	-25.0	1100	900	-200	-18.2
Business Services	7300	9200	1900	26.0	8400	10800	2400	28.6
Public Administration	3000	3300	300	10.0	3000	3400	400	13.3
Education	7600	8200	600	7.9	7900	8900	1000	12.7
Health	9900	11700	1800	18.2	10600	12300	2300	21.7
Other Personal Services	3400	4000	600	17.6	3500	3600	100	2.9
Total (Totals may not sum exactly due to rounding)	76100	77300	1200	1.6	78000	77600	-400	-0.5

- 8.14** Figure 2 shows the process of translating the econometric projections into employment land requirements. This process is in accordance with guidance within the Greater Manchester Employment Land Position Statement.
- 8.15** In the Draft ELR, some methodologies included a flexibility factor of 20% which was applied in line with other districts ELR's, the NWDA Employment Land Study and the Greater Manchester Demand for Employment Land study. Since the Draft ELR was produced more work has been undertaken at a regional level regarding flexibility. 4NW published a Employment Land Implementation Note in April 2009 which highlighted that the 20% flexibility factor should only be applied by districts 'where appropriate'. The fact that Oldham has shortage of developable land, Green Belt constraints, topography constraints and lower growth projections for the borough have led to the conclusion that it is not appropriate for Oldham to over supply the employment land requirements by 20%. Therefore the methodologies in this Final ELR do not include a flexibility factor.

Figure 2 Methodology used in translating the econometric projections into employment land projections



Convert Standard Industrial Classification (SIC) Employment Sectors used in GMFM into B1, B2 and B8 Use Class

8.16 Under each scenario, the model produces outputs showing future growth/decline in employee numbers for various sectors contained in the Standard Industrial Classification (SIC). These projections have to be split into Office, General Industry, Warehousing (Use Classes B1, B2 and B8) and are then translated into projected floorspace requirements using standard employment densities. These projected floorspace requirements have to then be further translated into specific land requirements using standard plot ratios. It is therefore assumed in the quantitative analysis of the econometric projections that there is a link between forecast employee levels and the subsequent floorspace requirements.

8.17 The GMFM shows employee data from 1991 and forecasts it up to 2026 (and beyond in more recent runs) using industry definitions based on the SIC2 division codes. Table 8 shows the sectors that have been used as part of this Final ELR.

Table 8 Greater Manchester Forecasting Model SIC Employment Sectors Used

Food, Drink and Tobacco	Textiles, Clothing and Leather
Wood and Wood Products	Pulp, Paper and Printing
Coke, Oil and Nuclear	Chemicals and Pharmaceuticals
Rubber and Plastic Products	Other Non-Metals
Metals	Machinery and Equipment
Electrical and Optical Equipment	Transport Equipment
Distribution	Other Manufacturing
Communications	Transport
Business Services	Financial Intermediation

8.18 The first part of the methodology is to convert the SIC sectors above into Office (B1a/b), General Industry (B1c/B2) and Warehousing (B8) uses in order to establish specific future employment land requirements. As mentioned above, there are other industries looked at in GMFM but they have been excluded from the conversion to employment class use on the basis that they do not constitute a 'B' use.

B1a/b Use Class (Offices, (other than a use within class A2 Financial Services) and for research and development purposes)

8.19 The Business Services and Financial Intermediation categories have been used to represent the Office (B1a/b) Use Class as this is the most commonly used method of measuring office employment. Therefore, 100% employment associated with these sectors was assumed to be on B1a/b sites.

B1c/B2 Use Class (Light Industry and General Industry - Use for the carrying on of an industrial process)

8.20 Total employment in the 13 Manufacturing sub-categories has been used as a proxy for the General Industry (B1c/B2) use class.

B8 Use Class (Use for storage or as a distribution centre)

8.21 For Warehouse (B8) it was considered that an assessment of the Distribution, Transport and Communications categories alone would overstate the percentage of employment in Warehousing employment. For example within the Distribution category, Wholesale trade is included alongside Retail trade, and Retail trade lies mostly within the 'A' use class. Therefore, ABI 2006 was used to determine the total number of people employed in the Distribution, Transport and Communications categories and this data was then further broken down to determine which of the industries within those categories would be most likely to occupy Warehousing sites. This was then expressed as a percentage of the total number of employees under the Distribution, Transport and Communications categories to determine the percentage of projected employment within those categories that would be on Warehousing sites.

8.22 The resultant sectoral split illustrated in Table 9 has been used to align employee numbers in Oldham to employment use classes.

Table 9 Employment Use Class and Sector Conversion

Use Class	GMFM Sectors	Percentage of SIC Employees in Use Class (Based on ABI 2006):
B1a/b: Office & R&D	Financial Intermediation	100%
	Business Services	100%
B1c/B2: Industrial	Food, Drink and Tobacco	100%
	Textiles, Clothing and Leather	100%
	Wood and Wood Products	100%
	Paper, Printing and Publishing	100%
	Coke, Oil and Nuclear	100%
	Chemicals and Pharmaceuticals	100%
	Rubber and Plastics	100%
	Metals	100%
	Other Non-Metals	100%

Use Class	GMFM Sectors	Percentage of SIC Employees in Use Class (Based on ABI 2006):
	Machinery and Equipment	100%
	Electrical and Optical Equipment	100%
	Transport Equipment	100%
	Other Manufacturing Not Elsewhere Categorised (NEC)	100%
B8: Warehouse	Distribution	68.9%
	Transport and Communication	59%

Employee Projections for 2008 and 2026 for B1, B2 and B8

8.23 Table 10 shows the employment forecast data according to B1, B2 and B8 Use Classes based on the breakdown of employees into each use class.

Table 10 Oldham OEF Projections by Use Class: Employment Change from 2008 to 2026

	Reference Scenario (2008)	Reference Scenario (2008)	Change (%)	Reference Scenario (2009)	Reference Scenario (2009)	Change (%)
	2008	2026		2008	2026	
Office (B1a)	8,500	10,100	1,600 (18.8)	9,500	11,700	2,200 (23.1)
General Industry (B1b/c/B2)	13,000	8,100	-4,900 (-37.7)	13,400	6,300	-7,100 (-53)
Warehouse (B8)	6,002	6,219	217 (3.6)	6,140	6,367	227 (3.69)
Total Employees	27,502	24,419	-3,083 (-11.2)	29,040	24,367	-4,674 (-16)

- 8.24** Office (B1a) – Employee Projections: The employee projections for office use (B1a) are forecast to increase in both scenarios to 2026, however in the Reference Scenario 2009 the increase is projected to be higher (23.1%) than the increase in the Reference Scenario 2008 (19%)
- 8.25** General Industrial (B1b/c B2) – Employee Projections: In both of the scenarios the B1b/c/B8 sector is forecast to have a large decline, in the 2008 Reference Scenario the decrease is forecast to be -37.7% (-4,900 employees) the decrease is greater at 53% (7,100 employees) in the Reference Scenario 2009.
- 8.26** Warehouse (B8) – Employee Projection: In both the scenarios the projections show that the number of employees likely to be employed in B8 industries will increase slightly, almost at the same levels. In the Reference Scenario 2008 the increase is 3.6% (217 employees) over the period 2008-2026. In the 2009 Reference Scenario the increase is 227 employees (3.69%).

Factor in Employment Densities

- 8.27** Having translated the projected number of employee numbers into appropriate use classes, the next stage is to convert these figures into floorspace requirements using employment densities. Estimates of employment densities are most commonly used as there are many factors which can influence a density ratio. The densities that have been used in this Final Employment Land Review have come from the English Partnership report 'Employment Densities: A Full Guide' (July 2001), and are also included in the NLP Greater Manchester Employment Land Position Statement (August 2009). They are as follows:
- B1 Office – 19 square metres per worker
 - B2 General Industry – 34 square metres per worker
 - B1 Warehouse – 50 square metres per worker
- 8.28** The NWDA Employment Land Study and the Demand for Employment Land in Greater Manchester report used these densities. The ODPM Guidance specifically refers to using them.

Factor in Vacancy Rates and 'Ideal' Vacancy Rates

- 8.29** The next step in the process of converting employee figures into floorspace requirements is to make an allowance for vacancy rates amongst the existing stock of employment premises. The DCLG's Commercial and Industrial Property Vacancy Statistics provide estimated vacancy rates for commercial and industrial premises. The latest data available is for 2004/05 and this estimates the vacancy rate for Oldham as being 9%. This proportion has been applied to the employee based floorspace figures for 2008 to present a projection of the existing situation.
- 8.30** In terms of the future employment land requirements an 'ideal' vacancy rate was applied to obtain the total requirements for 2026. The NWDA Employment Land Study, the Demand for Employment Land in Greater Manchester report and other authorities within the sub-region have assumed 'ideal' vacancy rates as 5% in B1 land and 10% for B2 and B8 land. The percentage is lower for B1 properties as high B1 vacancy

rates are undesirable in the long term and would raise the question of whether the council should be looking to provide new employment sites if there is already a high amount that is lying under-utilised.

Factor in Standard Plot Ratios

8.31 The next stage involved in the conversion of employees into floorspace requirements and ultimately land requirements is to apply a plot ratio. A standard plot ratio of 40% has been applied to the floorspace total before it has been converted into hectares. This assumes that a building occupies 40% of the total plot of employment land, with the remainder of the site taken up with car parking, landscaping and other ancillary uses. This assumption is in line with ODPM Guidance and also accords with the plot ratios used in the NWDA Employment Land Study, the Nathaniel Lichfield and Partners Greater Manchester Employment Land Position Statement, and other authorities within the sub-region.

8.32 It is recognised that employment land plot ratios will vary widely (particularly B1 uses) depending on the number of storeys and the extent of landscaping and car parking. It is also recognised that high density town centre offices can have a plot ratios of 100%, whereas business parks can be as low as 25%.

Floorspace Projections

8.33 Using the methodology outlined above, Table 11 summarises the employment floorspace projections from 2008 to 2026.

8.34 These estimates should be used as an indicative measure of floorspace and should not be used to give definitive floorspace requirements for the borough. The floorspace data should be used to illustrate general trends in each Use Class and should therefore be treated with caution.

Table 11 Oldham Employment Forecast Projections (sqm)

Oldham	Gross Internal Floorspace (sqm) Reference Scenario 2008			Gross Internal Floorspace (sqm) Reference Scenario 2009		
	2008	2026	Increase/ Decrease (%)	2008	2026	Increase/ Decrease (%)
Office (B1a)	440,087.5	503,737.5	63,650 (14%)	491,862.5	583,537.5	91,675 (19%)
General Industry (B1b/c B2)	1,204,450	757,350	-447,100 (-37.1%)	1,241,510	589,050	-652,460 (-53%)
Wholesale (B8)	817,799.75	855,085	37,285.25 (4.5%)	836,575	875,393.75	38818.75 (4.6%)

Oldham	Gross Internal Floorspace (sqm) Reference Scenario 2008			Gross Internal Floorspace (sqm) Reference Scenario 2009		
	2008	2026	Increase/ Decrease (%)	2008	2026	Increase/ Decrease (%)
Total	2,462,337.25	2,116,172.5	-346,164.75 (-14%)	2,569,947.5	2,047,981.2	-521,966.3 (-20%)

8.35 In summary Table 10 shows the change in floorspace relating to Office (B1a), General Industry (B1b/c B2) and Wholesale (B8). In relation to office floorspace the forecasts vary from an increase of 63,650sqm (14%) to 91,675 (19%). The largest projected decline within Oldham is associated with industrial floorspace which is expected to fall by -447,100sqm (-37.1%) under the 2008 scenario and -652,460sqm (-53%) under the 2009 scenario. The future projections for Wholesaling floorspace is for a moderate increase of 4.5% under the 2008 Reference Scenario and 4.6% under the 2009 Reference Scenario.

Convert Floorspace Projections into Hectare Projections

8.36 Once the floorspace projections have been calculated they can then be translated into employment land. The employment land projections for the period 2008 to 2026 with Oldham are shown in Table 12.

Table 12 Oldham Employment Land Projections; in hectares from 2008 to 2026

	Reference Scenario 2008	Reference Scenario 2009
B1a Office	6.37	9.16
B1b/c/B2 Industrial	-44.71	-65.25
B8 Warehousing	3.73	3.88
Total Land	-34.61	-52.21

8.37 The table indicates that the total demand for employment land in Oldham, under the Reference Scenario 2008 could decrease by 34.61 hectares comprising of 6.37 hectares for B1a office use; -44.71 hectares for B1b/c/B2 industrial land; and 3.73 hectares for B8 warehousing.

8.38 Under the Reference Scenario 2009 the total demand for employment land in Oldham could decrease by 52.21 hectares. This comprises of 9.16 hectares for B1a office land use; -65.25 hectares for B1b/c/B2 industrial land; and 3.88 hectares for B8 warehousing.

8.39 By combining the projected additional land required for B1a and B8 uses Oldham could need, depending on the scenario, a maximum of 13.04 hectares and a minimum of 10.1 hectares of new employment land. However looking at the projected decline in industrial land the borough could also be faced with the situation of between 45 and 65 hectares (depending on the scenario) of industrial employment land that it does not require.

Employment Land Module of Greater Manchester Forecasting Model

8.40 The GMFM Employment Land Module allows the land use implications of an economic forecast to be generated alongside the economic forecast using standard assumptions. It is not about advising on what assumptions should ideally be used – though it will also allow users to see how different assumptions derived from other research would affect projected land use requirements. This information is from the GMFM Reference Scenario 2009. The guidance outlines that employment densities have been applied to the floorspace figures, but that for converting to hectares districts may wish to apply vacancy rates and plot ratios.

8.41 The floorspace requirements for Oldham in 2026 from the GMFM Employment Land Module are as follows:

Table 13 Forecast Floorspace Requirements in Oldham 2008 and 2026 from GMFM Employment Land Module

Office floorspace (B1a/b) 2008	Office floorspace (B1a/b) 2026	Change (%)	Industrial floorspace (B1c/B2) 2009	Industrial floorspace (B1c/B2) 2026	Change (%)	Warehouse floorspace (B8) 2009	Warehouse floorspace (B8) 2026	Change (%)
168,600	196,900	28,300 (16.7%)	443,000	204,200	-238,800 (-53.9%)	256,900	261,400	4,500 (1.7%)

8.42 The floorspace figures have then been converted into hectares using the methodology outlined earlier (including applying vacancy rates and plot ratios). The additional employment land forecast for Oldham up to 2026 using the floorspace figures provided in the GMFM Employment Land Module are as follows:

Table 14 Employment Land Requirements for Oldham up to 2026 from GMFM Employment Land Module

Office employment land (B1a/b) 2026	Industrial employment land (B1c/B2) 2026	Warehouse employment land (B8) 2026
5.74	-64.56	1.88

8.43 This GMFM Employment Land Module leaves Oldham in the situation where it could need 7.62 hectares of additional employment land for office and warehousing use. The borough could also be faced with the situation of having 64.56 hectares of industrial employment land that it does not require.

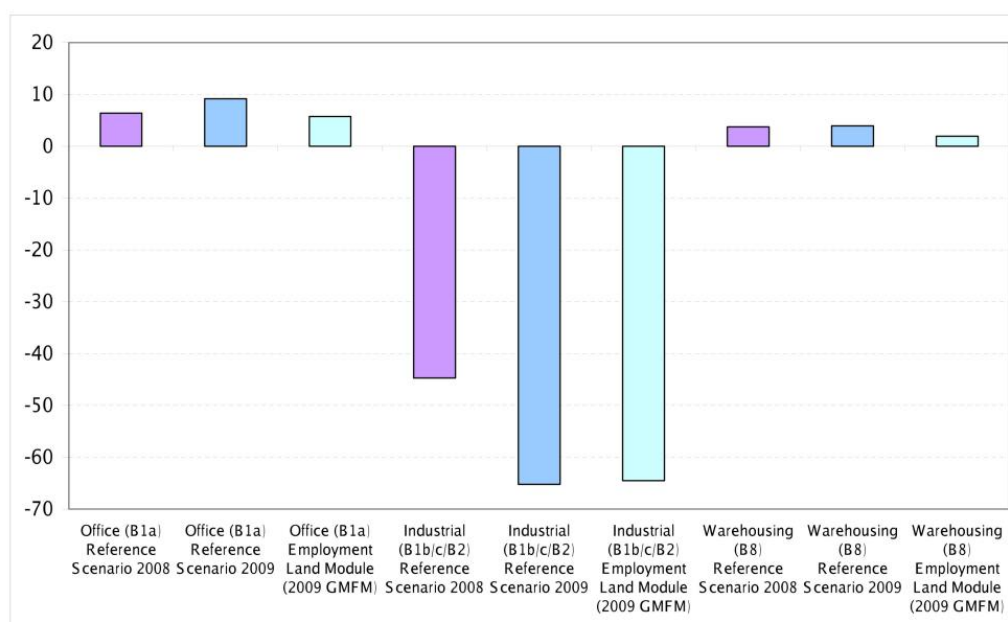
8.44 Overall this methodology shows from the figures generated for 2008 to the figures generated to 2026 that borough could require 56.94 hectares less than it currently does.

Employment Land Requirements up to 2026 based on Econometric Projections

8.45 Overall, based on the two scenarios and the employment land module of the GMFM Oldham could reduce its amount of employment land by between 34.61 and 56.94 hectares.

- 8.46** This section of the report has looked at the employment projections derived from the Oxford Economic Forecasts to create a model indicating potential land requirements for the period 2008-2026. The results from the three are shown in Figure 3. The resultant figures are net and do not take into account the amount of land lost to other uses.
- 8.47** There will always be a need to provide new employment sites for all types of uses irrespective of the likely structural decline for particular sectors (i.e. manufacturing sectors). Therefore the negative projections for B2 employment land do not necessarily mean that there is no need for additional land to be provided, it means that the net difference between B2 land developments coming forward and B2 land lost to other uses is likely to be negative.

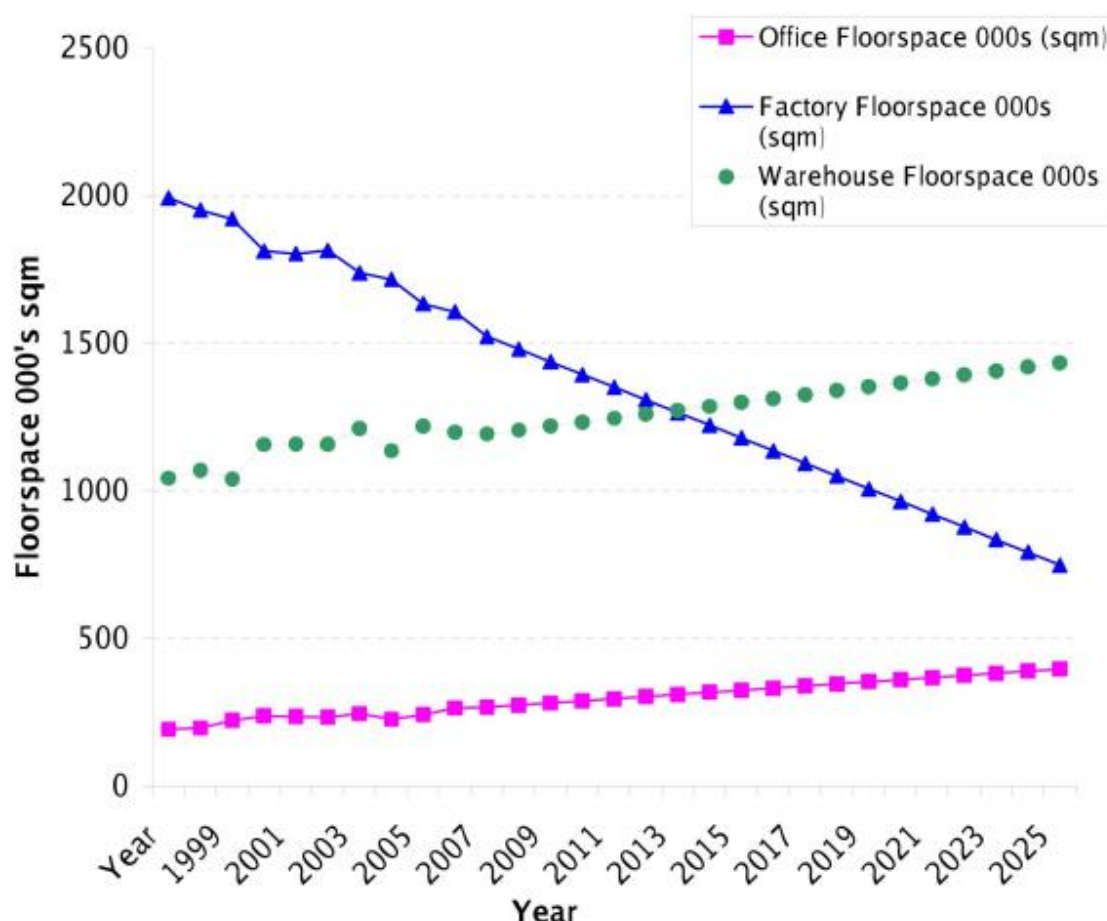
Figure 3 Summary: Employment land projected requirements 2008 - 2026



Method Two: Commercial and Industrial Floorspace and Rateable Value Calculations

- 8.48** The total amount of B1, B2 and B8 employment floorspace for Oldham for the years 1998 to 2008 was obtained from the Office of National Statistics (ONS) Commercial and Industrial Floorspace and Rateable Statistics (2009 figures were not available at the time of writing this report). The past rates were projected forward on a linear pro-rata basis.
- 8.49** Floorspace figures from the Valuation Office Agency have been projected forward to 2026 at the average yearly increase/decrease to provide estimates on the floorspace projections for Office (B1), General Industry (B2) and Warehousing (B8) type land uses. See figure 4. The data has had to be converted for office and warehousing, from net internal floorspace to gross internal floorspace, as recommended in the English Partnership Guidance 'Employment Densities: A Full Guide'.

Figure 4 Projected Growth/Decline in Office, Factory and Warehouse Floorspace in Oldham (ONS Floorspace Trend Data)



8.50 Figure 4 shows that there will be an increase in office floorspace (B1) over the period 2008-2026. It also shows that there will be a decline in factory floorspace by more than half over the period 2008-2026 . There will be a moderate increase in warehouse floorspace over the period 2008-2026, rising to just over 1,400,000sqm in 2026. Table 15 shows the figures used in graph 3.

Table 15 Employment Floorspace Growth/Decline (ONS Floorspace Trend Data)

	2008	2026	+/- Change (%)
B1 (floorspace sqm)	268,000	397,000	129,000 (48%)
B2 (floorspace sqm)	1,523,000	749,000	-774,000 (-51%)
B8 (floorspace sqm)	1,193,000	1,433,000	240,000 (20%)
Total	2,984,000	2,579,000	-405,000 (-14%)

8.51 From the estimated trends in B1, B2 and B8, Table 14 illustrates that:

- B1 office floorspace is estimated to increase by 129,000 square metres from 2008 to 2026, which is an increase of 48%.
- B2 factory floorspace is estimated to decrease by 774,000 square metres from 2008 to 2026 which is a decrease of 51%.
- B8 warehouse floorspace is estimated to increase by 240,000 square metres which is an increase of 20%.

Floorspace Growth Translated into Employment Land Projections

8.52 The floorspace results were translated into employment land projections by applying a standard plot ratio of 40%. The Valuation Office Agency applies vacancy rates to the floorspace figures by incorporating vacant land statistics when compiling the floorspace results. (The DCLG's Commercial and Industrial Property Vacancy Statistics provide estimated vacancy rates for commercial and industrial premises)

8.53 The employment land projections for B1 (Office), B2 (Factory), and B8 (Warehouse) are presented in Table 16.

Table 16 Employment Land Projections based on ONS Floorspace Trend Data

	2008	2026	+/- Change	% Change
B1 (Hectares)	67	99.25	32.25	48%
B2 (Hectares)	380.75	187.25	-193.5	-51%
B8 (Hectares)	298.25	358.25	60	20%
Total	746	644.75	-101.25	-13.5%

8.54 Table 16 shows that the projected forward employment land requirements for Oldham using the ONS Floorspace Trend Data is as follows:

- For B1 office: An increase of 32.25 hectares
- For B2 manufacturing: A decrease of -193.5 hectares
- For B8 warehousing: An increase of 60 hectares

8.55 So in total, based on this method, Oldham could reduce its amount of employment land by 101.25 hectares.

Method Three: Historic Take Up Rates for Employment Land

8.56 This section discusses the projected demand for employment land based on the historic take up of sites (the total amount of planning permissions completed for business uses from 1984 - 2009). The council has only in recent years monitored employment land losses, so it is important to note that these historic take up rates represent a gross figure. Any figures produced from this method will be overinflated due to monitoring methods not yet taking account of losses of employment land.

- 8.57** However, the council is aware of a number of mills that have been demolished or converted to non employment generating uses. After the gross figures have been looked at they have then been moderated to take account of the known mill losses.
- 8.58** Data has been collated at different times of the year throughout the 20 years period. From 1984 to 1998 the data was collated as per calendar year. From 1999-2002 there was one data collection for the whole 4 years. For 2003-2004 there was a collection period of 15 months from January 2003 to March 2004 in order to bring the data collection in line with the financial year. From 2004 onwards the data has been collected in financial years.
- 8.59** Three time periods have been looked at and averages derived for each one. These are:
- 1984-2009 – This is the whole period for which data is available.
 - 1999-2009 - This is the period from when the data collection methods became more refined.
 - 2003-2009 - 2003 is the start of the plan period for the Regional Spatial Strategy
- 8.60** Table 17 shows that the average annual take up rate for employment land (B1, B2 and B8) for each of the time periods mentioned above.

Table 17 Employment Land Take Up 1984-2009

Year	Completed Gross Employment Land Take Up (Hectares)	Year	Completed Gross Employment Land Take Up (Hectares)
1984	5.1	1995	5.5
1985	3.1	1996	5.3
1986	3.7	1997	16.9
1987	11.0	1998	8.0
1988	7.5	1999-2002	28.2
1989	26.0	2003-2004	8.0
1990	20.0	2004-2005	12.3
1991	4.9	2005-2006	7.1
1992	7.1	2006-2007	7.9
1993	1.3	2007-2008	8.2
1994	8.8	2008-2009	12.6
Total			218.25
Average completed take up of employment land 1984-2009			8.7
Average completed take up of employment land 1999-2009			8.4
Average completed take up of employment land 2003-2009			9.3

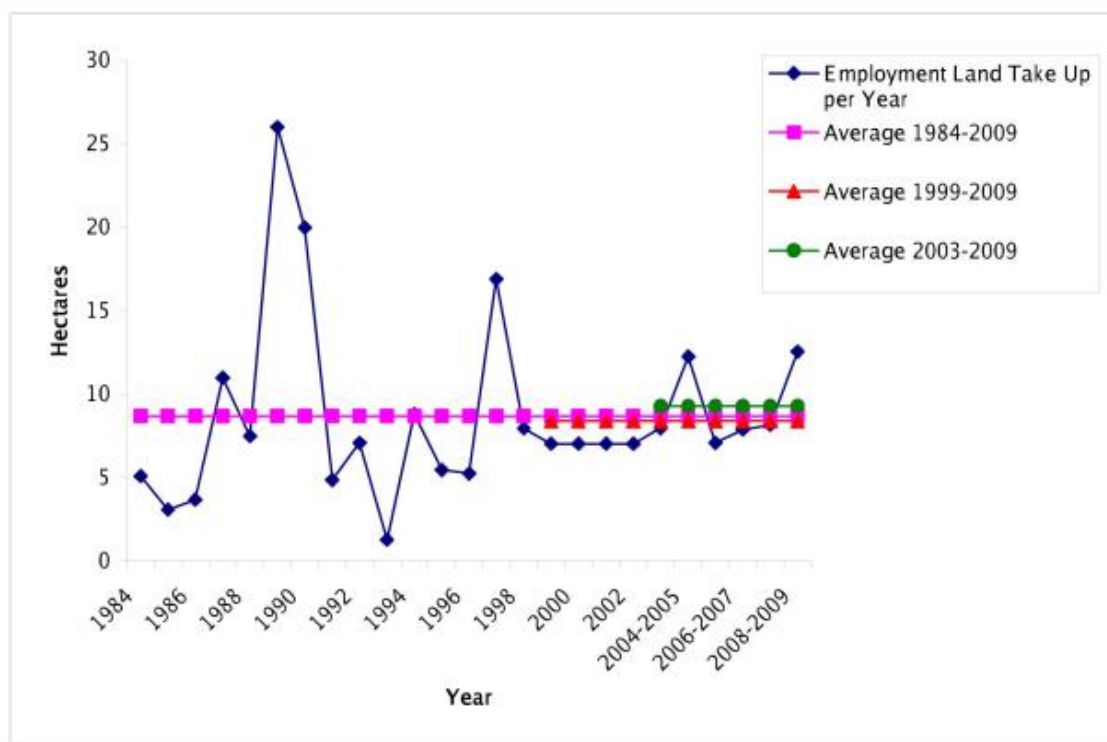
8.61 The Table 18 shows the average annual take up of the three time periods and projects the averages forward to 2026. The three time periods provide of range of between 143 - 159 hectares of employment land needed up to 2026. The average annual take up of the three time periods equates to 8.8 hectares per year and projects forward an employment land need up to 2026 of 150 hectares.

Table 18 Average and Projected Employment Land 2009-2026

Years	Average (Hectares)	Projected Employment Land 2009-2026 needed (Hectares)
1984-2009	8.7	148.4
1999-2009	8.4	143.0
2003-2009	9.3	158.6
Average of 3 data sets	8.8	150.0

8.62 Figure 5 shows the annual take up figures for each year with the three averages.

Figure 5 Oldham annual take up figures for each year with the three averages



Loss of Employment Land to other uses

8.63 The historic take up rates have been monitored in the past as a gross figure, however there are a number of employment sites that are known to have been lost to other uses in recent years. The Table 19 shows a number of mills that are known to the council as either having been demolished or converted to a non-employment generating use over the past ten years. This list is not an exhaustive list of employment land losses. The council has only recently started to monitor employment land losses so analysing the known mill demolitions/conversions is one way of attempting to quantify the losses.

Table 19 Losses of mill land to other uses

Mill Name	Ward	Site Area (hectares)	Comments
Lyon Mill	Shaw	1.0	Demolished in 2006, under construction for residential development
Sandy Mill	Royton South	1.6	Demolished in 2005, under construction for residential development
Rose Mill	Chadderton South	1.2	Demolished in 2007, now has planning permission for residential development
Ramsey Mill	Chadderton Central	1.48	Demolished approx. 2004, now a residential development

Mill Name	Ward	Site Area (hectares)	Comments
Orb Mill	Saddleworth West & Lees	3.12	Demolished approx. 2004, now a Building Schools for the Future (BSF) site
Mona Mill	Chadderton Central	2.25	Demolished approx. 2004, now a residential development
Monarch Mill	Royton South	1.7	Demolished approx. 2004, now under construction for residential development
Granville Mill	St. James'	1.04	Demolished in 1999, now a residential development
Gem Mill	Chadderton Central	2.1	Demolished in 2007, under construction for residential development
Dawn Mill	Shaw	1.44	Demolished in 2006, now a supermarket
Cape Mill	Shaw	2	Demolished approx. 2001, now a residential development
Marlborough Mill	Failsworth East	1.61	Demolished in 2002, now a supermarket
Park Mill	Royton South	0.98	Demolished in 2004, now a residential development
Ashley Mill	Coldhurst	1	Demolished in 2008, now has planning permission for residential development
Gresham Mill	Coldhurst	1.05	Demolished in 2000, now a residential development
Alexandra Mill	Saddleworth South	0.55	Conversion granted in 2000 to convert mill buildings to apartments. Now completed.
Acorn Mill	Saddleworth West & Lees	0.5	Conversion granted in 2002 to convert mill buildings to apartments. Now completed.
Tamewater Mill	Saddleworth North	0.7	Conversion granted in 2007 to convert mill buildings to apartments. Now under construction.
Slackcote Mill	Saddleworth West & Lees	0.96	Conversion granted in 2007 to convert mill buildings to apartments. Now under construction.
Total		26.28	

8.64 This exercise demonstrates that over recent years there has been at least 26.28 hectares of employment land lost in the borough over the past ten years to non employment uses. This equates to an average of around 2.6 hectares per year.

8.65 If this rate of loss were to continue for the plan period, Oldham would lose at least 44.2 hectares of employment land to other uses over the period up to 2026.

Method Four: Labour Supply

8.66 The Greater Manchester Employment Land Position Statement states that looking at labour supply for the future and translating that in to employment land requirements is an appropriate method to identify future 'need'.

8.67 Manchester's Commission for the New Economy provided Oldham with the potential labour supply within Oldham for 2008 and 2026 for B class jobs. As the GMFM is the agreed forecasting tool of AGMA, where possible all information was drawn from that (the 2009 Reference Scenario). This was done by the Commission for the New Economy in a series of steps shown in Table 20 along with the figures.

Table 20 Steps taken to obtain current and future labour supply in Oldham for B class employment

Oldham Estimates	Source	2008	2026
Estimate of resident population	GMFM	219.7	230.4
Apply % Working Age population	GMFM	136.3	135.6
Apply economically active % to obtain working population	GMFM	69%	72%
Economically Active Working Age Population	Calculation	93.7	97.2
Apply % from GMFM to get proportion likely to seek B Class jobs	GMFM		
- Office and R&D	GMFM	12.1%	15%
- Industrial	GMFM	17.3%	8.0%
- Warehousing	GMFM	17.8%	18.3%
Economically Active Working Age Population likely to seek:	Calculation		
- Office and R&D	Calculation	11,400	14,600
- Industrial	Calculation	16,200	78,00
- Warehousing	Calculation	16,600	17,800
Apply % for out commuters (assumption of continuing rate for Oldham from 2001 Census)	Census 2001		
- % of employed Oldham residents who are out-commuters	Census 2001	36.1%	36.1%
- % of employed who are in-commuters to Oldham	Census 2001	28.5%	28.5%

Oldham Estimates	Source	2008	2026
- % of employed Oldham residents who work in Oldham	Census 2001	63.9%	63.9%
Economically active working age population living and working in Oldham likely to be in:	Calculation		
- Office and R&D employment (000s)	Calculation	7,300	9,300
- Industrial employment (000s)	Calculation	10,400	5,000
- Warehousing employment (000s)	Calculation	10,600	11,400

8.68 Using methodology relating to employment densities, vacancy rates and plot ratios outlined earlier in the report, the figures above have been translated into floorspace figures and then into hectares as shown in the Tables 21 and 22.

Table 21 Employee floorspace figures based on Oldham's labour supply for B class employment

	2008	2026	+/- Change (%)
Office (floorspace sqm)	377,957.5	463,837.5	85,880 (22.7%)
Industrial (floorspace sqm)	963,560	467,500	-496,060 (-51.4%)
Warehousing (floorspace sqm)	1,444,250	1,567,500	123,250 (8.5%)
Total floorspace	2,785,767.5	2,498,837.5	-286,930 (-10.2%)

8.69 Table 22 Employment land figures based on Oldham's labour supply for B class employment

	2008	2026	+/- Change (%)
Office (hectares)	37.80	46.38	8.58 (22.6%)
Industrial (hectares)	96.36	46.75	-49.61 (-51.4%)
Warehousing (hectares)	144.43	156.75	12.32 (8.5%)
Total hectares	278.59	249.88	-28.7 (-10.3%)

Based on this methodology Oldham could reduce its amount of employment land by 28.7 hectares.

8.70 Within this section of the report a number of methodologies have been looked at in accordance with ODPM Guidance. This has ensured that a broad analysis of the likely employment land requirements within the borough has been explored.

8.71 Table 23 presents the results from all the data sets looked at in this Quantitative Employment Land Demand Analysis section.

Table 23 Summary of results from all datasets

	GMFM Reference Scenario 2008	GMFM Reference Scenario 2009	GMFM Employment Land Module 2009	Commercial and Industrial Floorspace and Rateable Statistics	Historic Take Up Rates (Average of 3 datasets)	Labour Supply
Amount of Hectares required	-34.61	-52.21	-56.94	-101.25	150	-28.7

8.72 From the different methods looked at in this stage, Oldham will be faced with two extremes; a decline in B-Class Employment Land of -101.25 hectares or an increase in B-Class Employment Land of up to 150 hectares between 2008 and 2026. This demonstrates that predicting future employment land requirements is not an exact science.

9 Conclusions of Employment Land Demand Analysis

9.1 In this Final ELR and the Draft ELR a number of methodologies have been looked at for differing time periods in an attempt to establish the level of demand for employment land in Oldham up to 2026. It is now important to pull all the results from the different methodologies from both reports together. See Table 23. These figures do not include a 20% flexibility factor for the reasons stated in paragraph 8.15.

Table 24 All methods used to forecast employment land needed in Oldham up to 2026

Method	Document	Time Period Covers	Net or Gross	Employment Land Results
GMFM Reference Scenario 2007	Draft Employment Land Review	2008 - 2026	Net	-51.55 hectares
GMFM Accelerated Growth Scenario 2007	Draft Employment Land Review	2008 - 2026	Net	-47.08 hectares
GMFM Reference Scenario 2008	Final Employment Land Review	2008 - 2026	Net	-34.61 hectares
GMFM Reference Scenario 2009	Final Employment Land Review	2008 - 2026	Net	-52.21 hectares
Employment Land Module (based on GMFM Reference Scenario 2009)	Final Employment Land Review	2008 - 2026	Net	-56.94 hectares
Commercial and Industrial Floorspace Calculations	Draft Employment Land Review	2007 - 2026	Net	-78.1 hectares
Commercial and Industrial Floorspace Calculations*	Final Employment Land Review	2008 - 2026	Net	-101.25 hectares
Employment Land Take Up (Gross)	Draft Employment Land Review	2008 - 2026	Gross	160.1 hectares
Employment Land Take Up (Gross)*	Final Employment Land Review	2009 - 2026	Gross	150.0 hectares
Labour Supply	Final Employment Land Review	2008 - 2026	Net	-28.71 hectares

*these methods were simply updated in this Final Employment Land Review to incorporate the latest figures available

9.2 Over the course of the two reports information has been updated, new versions of GMFM have been produced and new guidance has been published. The table above shows a wide range of figures has been produced as a result of the methods. These range from a need for an increase of 160 hectares to a decrease of 101 hectares. However, this does not represent an overall conclusion to the level of demand for

employment land in the borough and the figures need to be refined. The Greater Manchester Employment Land Position Paper provides Oldham with a range of between 69 and 133 hectares of employment land to provide over the plan period. As mentioned previously these figures were based on the findings from the Draft ELR. This range is also wide and needs to be narrowed down in this Final ELR.

- 9.3** This is highlighted by ODPM Guidance on ELR's which states the best approach to quantitative assessments is to use several complementary methodologies and make the best possible judgement based on the available evidence. This report has aimed to use as many methodologies as possible in order to make informed decisions in relation to determining employment land requirements.
- 9.4** All of the projections used in this report are indicators of what may happen in the future and should not be taken as absolute. However, all of the GMFM scenarios show the same general trends, growth in demand for B1 land, a slight growth in B8 land and a large decline in demand for B2 industrial land.
- 9.5** Comparisons between the various methods is difficult due to the different assumptions used and the fact that some methodologies produce net figures and some produce gross figures.
- 9.6** The Commercial and Industrial Floorspace based projections from the Valuation Office Agency (VOA) cannot be broken down definitively into Use Class Order categories and are broken down more broadly, with B1 as 'offices', B2 'factories', and B8 as 'warehouses'. Therefore, they should be compared with caution to the other projections.
- 9.7** The method of providing new employment land based entirely on the historic take up rates is no longer viewed as appropriate for estimating future employment land requirements as it simply 'predicts and provides' without taking into account any market trends or shifting economy sectors.
- 9.8** The Draft and Final ELR used the method preferred by 4NW to derive employment land projections for the North West Regional Spatial Strategy. Past take up of employment land rates for each of the sub-regions in the North West were adjusted by 4NW on the basis of modelled GVA growth. Such a method allowed a gross employment land projection to be derived while also allowing policy aspirations to be incorporated by moderating past take up rates on the basis of independently modelled growth projections.
- 9.9** The Draft and Final ELR has moderated past employment land take up rates on the basis of factoring in the proportional change in B-use employment generated through the GMFM. The GMFM figure has been used as opposed to the GVA figure as the GMFM is the agreed forecasting tool of AGMA authorities. The results derived from the Draft ELR are shown in Table 24.

Table 25 Adjusted Projected Take up Rates (gross) from Draft ELR

Reference Scenario (2007)			Accelerated Growth Scenario (2007)		
Average Annual Take-up Rate (Ha) (from Table 17 appendix 1)	Projected Total Requirement (from Table 17 appendix x)	% Employee Growth/Decline 2008 -2026 (from Table 19 appendix 1)	Projected total Requirement 2008-2026 (Hectares)	% Employee Growth/Decline 2008 -2026 (from Table 19 in appendix1)	Projected total Requirement 2008-2026 (Hectares)
8.4*	160*	-17%	132.8	-14%	137.6

*Three sets of historic take-up rates were looked at in the Draft ELR so the average figure from the three has been used in this table.

9.10 This method has also been applied to the figures generated from the updated past take up rates from this report and then moderated by the GMFM 2008 and 2009 scenarios that have been looked at. Table 25 below shows the outputs achieved from the latest figures available.

Table 26 Adjusted Projected Take up Rates (gross) from Final ELR

		Reference Scenario (2008)		Reference Scenario (2009)	
Average Annual Take-up Rate (Ha) (from Table 17)	Projected Total Requirement (from Table 17)	% Employee Growth/Decline 2008-2026 (from Table 9)	Projected total Requirement 2008-2026 (Hectares)	% Employee Growth/Decline 2008 -2026 (from Table 9)	Projected total Requirement 2008-2026 (Hectares)
8.8*	150*	-11.2%	133.2	-16%	126

*Three sets of historic take-up rates were looked at in this Final ELR so the average figure from the three has been used in this table.

9.11 From the two reports produced four results have been generated. The outcomes of each are as follows:

- Reference Scenario 2007 - 132.8 hectares
- Accelerated Growth Scenario 2007 - 137.6 hectares
- Reference Scenario 2008 - 133.2 hectares
- Reference Scenario 2009 - 126 hectares

9.12 The range of employment land required for the borough up to the period 2026 based on the four scenarios above is between 126 hectares and 138 hectares.

9.13 However, as mentioned in paragraph 8.64 Oldham in the past has lost on average (based on known mill demolitions) a minimum of 2.6 hectares per year for the past ten years. All scenarios and forecasts predict the manufacturing sector will continue to decline during the plan period, therefore there is no reason to think that this pattern within Oldham will cease. If the 2.6 hectares decline continues for the life of the plan

period there would be in total a 44.2 hectare decline of employment land. This decline of industrial premises should be factored in to Oldham's future employment land requirements to refine the figures to a more realistic figure for Oldham. By doing so the range of figures is as follows:

- Reference Scenario 2007 - 88.6 hectares
- Accelerated Growth Scenario 2007 - 93.4 hectares
- Reference Scenario 2008 - 89 hectares
- Reference Scenario 2009 - 81.8 hectares

9.14 The range of employment land required for Oldham up to 2026 based on the methodology described above is between 81.8 and 93.4 hectares. To get a specific figure advice was sought from Oxford Economics regarding which forecast they would recommend using in the Final ELR. The advice received was to use the most recent scenario available as it is based upon the most recent picture of the outlook for local economies. Taking this advice on board and using the 2009 Reference Scenario, Oldham, from 2008 to 2026, needs to provide, at least 81.8 hectares of employment land.

9.15 This report has assessed the suitability of the existing supply of employment sites within the borough and has projected demand for future employment land. The supply assessment consisted of consultants Donaldsons assessing the current available employment allocations in January 2007 (availability updated 31st March 2009) and the council assessing the suitability of the Primary Employment Zones within the borough. The demand assessment included a review of historic take up rates and projected employment trends by using the GMFM employee projections.

9.16 The employment land position and future requirements in the borough is shown in the Table 26. It starts with the recommendations for employment land in Oldham made by NLP in the Greater Manchester Employment Land Position Paper, takes into account what we had in 2006, what has now been developed and what is needed to cover the plan period.

Table 27 Current position of Business and Industry and Mixed Use allocations

	Hectares
Greater Manchester Employment Land Position Paper identified need for Oldham	69-133
Available employment land (over 0.4 hectares) 2006	84.93
Developed, under construction or unavailable for development	42.49
Residual employment land to be assessed through Site Allocation DPD's	42.44
Oldham Employment Land Review employment land need conclusion	81.8
Amount of 'new' employment sites needed	39.36

9.17 Of the borough's 84.93 hectares allocated in the UDP, 42.49 hectares has been developed, is under construction or is unavailable (due to gas holders and underground storage) leaving 42.44 hectares to be assessed through the Site Allocations DPD, taking account of Donaldsons comments and recommendations.

-
- 9.18** The projected land requirements used in the Greater Manchester Employment Land Position Paper produced a range that was based on discussions around employment land Oldham could potentially provide over the plan period and the forecasts that were used in Oldham's Draft ELR. This range is considered too broad for a Core Strategy to include and the methodologies used in this Final ELR have been refined in order to provide a more specific figure.
- 9.19** Based on the work in this Final ELR the refined figure for Oldham is at least 81.8 hectares of employment land will be needed up to 2026. Oldham currently has 42.44 hectares existing allocations to be assessed through the Site Allocations DPD, giving Oldham a potential shortfall of up to 39.36 hectares of additional employment land to be identified in the LDF for the plan period.

10 Identifying a New Portfolio of Employment Sites

- 10.1** This section of the Final ELR seeks to establish a portfolio of sites that could potentially make up the borough's future employment land allocations in the Site Allocations DPD. Any potential constraints the existing employment allocations may have will be looked at with a second stage appraisal. This chapter will also appraise any potential 'new' sites that could help meet Oldham's future employment land requirements of 39.36 hectares. Any potential new sites will be subject to the same site assessments as existing sites for consistency.
- 10.2** Chapter 9 identifies a future requirement for employment land in the borough of at least 81.8 hectares up to 2026. In chapter 7 the current UDP Business and Industry and Mixed Use allocations were assessed. Of the 84.93 hectares, 42.49 were found to be developed, under construction or unavailable leaving 42.44 hectares. Of this 42.44 hectares recommendations were made as to their future within the LDF. These recommendations will be taken on board when preparing the Site Allocations DPD. However, as stated in the disclaimer at the start of this document, the identification of potential employment sites, buildings or areas within the Final ELR does not imply that the council will necessarily grant planning permission for employment/business development. Planning applications will continue to be treated on their merits, against the appropriate development plan policies and other material planning considerations and the inclusion of potential employment sites, buildings or areas within the Final ELR does not preclude them from being developed for other purposes.
- 10.3** The remaining sites from the existing supply need to be subject to further appraisal, in relation to any potential constraints such as flood risk, public transport accessibility and contaminated land, to help determine the deliverability of the sites. In addition, any potential 'new' sites that could contribute towards the borough's employment land supply need to be subject to the appraisal to determine whether they are appropriate for employment use.

Possible Constraints on Existing Sites

- 10.4** It is necessary to look at the existing supply of sites and determine if there are any constraints that would prevent or seriously hinder the future delivery of the sites. Each site has been looked at in relation to the findings of the Strategic Flood Risk Assessment (SFRA), public transport accessibility, possible contamination and if there are any listed buildings present on site that has also been noted. The table below outlines the findings from this phase two appraisal, however as mentioned previously, since the sites were originally appraised three have now been removed. Those were B1.1.11 Causeway North as it is now developed, Orb Mill as it has planning permission for a new school under the Building Schools for the Future programme and the Waste site on Arkwright Street is now under construction as a new Transfer Loading Station so these sites have been excluded from further appraisal.

10.5 Table 28 Possible constraints of each site

Site Type	Site Reference	Site Name	Size Remaining (Ha)	Flood Zone	Access to Public Transport (based on UDP definitions)	Potentially Contaminated Land	Listed Buildings
Business and Industry	1.2.2	Sefton St, Hollinwood	1.61	100% zone 1	Very Good	Yes	No
Business and Industry	1.2.6	Albert St. Hollinwood	5.49	100% zone 1	Very Good	Yes	No
Business and Industry	1.2.1	Southlink Business Park	0.4	SFRA did not specifically assess this site. From looking at Flood Zone maps the majority of the site is within zone 1 with a small element to the east of the site within zone 2.	Very Good	Yes	No
Business and Industry	1.2.7	Stable St, Hollinwood	0.41	100% zone 1	Very Good	Yes	No

Site Type	Site Reference	Site Name	Size Remaining (Ha)	Flood Zone	Access to Public Transport (based on UDP definitions)	Potentially Contaminated Land	Listed Buildings
Business and Industry	1.1.5	Sellers Way, Hollinwood	0.99	100% zone 1	Very Good	Yes	No
Business and Industry	1.1.3	Mersey Rd, Hollinwood	0.93	100% zone 1	Very Good	Yes	No
Business and Industry	1.1.10	Junction Mill, Chadderton/Broadway	4.19	95% zone 1	Satisfactory	Yes	No
				1.1% zone 2			
				1% zone 3a			
Business and Industry	1.1.8	Greengate, Chadderton	1.22	100% zone 1	Basic	Yes	No
Business and Industry	1.2.5	Primrose St/Crossbank St	3.78	100% zone 1	Very Good	Yes	Yes
Business and Industry	1.1.6	White Moss View, Greengate Ind Pk	0.7	100% zone 1	Basic	No - site has been remediated	No
Business and Industry	1.1.21 B	British Gas, Royton (South)	2.91	100% zone 1	Very Good	Yes	No

Site Type	Site Reference	Site Name	Size Remaining (Ha)	Flood Zone	Access to Public Transport (based on UDP definitions)	Potentially Contaminated Land	Listed Buildings
Business and Industry	1.1.21 A	British Gas, Royton (North)	3.63	100% zone 1	Good	Yes	No
Business and Industry				75.8% zone 1 20.8% zone 2 3.3% zone 3a 0.1% zone 3b	Good	Yes	No
Business and Industry	1.1.24	Royton Moss, Royton	3.49				
Business and Industry	1.2.4	Oldham Way/Train Station	1.70	98.5% zone 1 1.5% zone 2	Very Good	Yes	No
Business and Industry	1.2.3	Union St/Oldham Waycutting	0.99	100% zone 1	Very Good	Yes	No
Mixed	3	Oldham Rd/Hardman St, Failsworth	0.76	100% zone 1	Very Good	Yes	No
Business and Industry	1.1.20	High Barn St, Royton	0.64	100% zone 1	Good	Yes	No
Business and Industry	1.1.18	Ram Mill, Chadderton	2.02	100% zone 1	Good	Yes	No

Site Type	Site Reference	Site Name	Size Remaining (Ha)	Flood Zone	Access to Public Transport (based on UDP definitions)	Potentially Contaminated Land	Listed Buildings
Business and Industry	1.1.9	Moston Rd, Chadd/Broadway	1.58	100% zone 1	Basic	Yes	No
Business and Industry	1.1.19	Coin St, Royton	0.4	100% zone 1	Good	Yes	No
Business and Industry	1.1.28	Huddersfield Road, Diggle	2.6	96.2% zone 1 3.8% zone 2	Satisfactory	Yes	No
Business and Industry	1.1.26	Beal Lane, Shaw	1.07	74.5% zone 1 25.5% zone 2	Very Good	Yes	No
Business and Industry	1.1.25	Clarence Street, Royton	0.93	100% zone 1	Good	Yes	No

- 10.6** It is important to assess if any of the sites have constraints that could prevent the future delivery of the site.
- 10.7** The council commissioned consultants to undertake a Level 1 and Level 2 SFRA of the borough. The SFRA has mapped Flood Risk to identify the likelihood of flooding. The Flood Zones range from Zone 1 (low probability) to Zone 3b (functional floodplain). Planning Policy Statement 25 (PPS 25) states that decision makers should aim to steer new development into Flood Zone 1, where there are no reasonable available sites in Flood Zone 1 sites within Flood Zone 2 can be considered as long as the flood risk vulnerability of land uses are considered and Exception Test applied if necessary. Only where there are no available sites in Flood Zones 1 or 2 should the suitability of sites in Flood Zone 3 be considered.
- 10.8** PPS 25 goes on to outline the vulnerability of uses and office, general industry and storage and distribution are in the category of 'less vulnerable uses' in relation to flood risk. This means that the development of those uses may be appropriate within Zones 1, 2 and 3a, following the sequential test. However in Zone 3b they should not be permitted.
- 10.9** In relation to flood risk there are two sites that are partially covered by a Flood Zone 3b. Junction Mill in Chadderton and Royton Moss, Royton. The part of the sites that are covered by Flood Zone 3b will have to be excluded from the overall developable area were any planning applications to come forward. However the level 2 SFRA concluded for the Junction Mill site that development is acceptable though with some detailed consideration of flood risk issues explored. The Royton Moss site was not subject to the level 2 SFRA though the user guide explains that consideration should be given to whether development can be achieved through new development being located entirely in areas with a low probability of flooding (i.e. all within Flood Zone 1 and if not in areas at medium risk (Flood Zone 2). The majority (96.6%) of the site falls within flood zones 1 and 2 and therefore it is considered that the site is acceptable with some detailed consideration of flood risk issues.
- 10.10** All of the sites have access to public transport though some have just basic accessibility, however this in itself would not be a barrier to development as any permissions granted can be conditioned to provide travel planning measures, one of which could be for employers to provide a bus service for employees.
- 10.11** All but one site has the potential to be contaminated, this is due to a number of reasons including sites previously being used for scrap yards, cotton mills and electricity substations. However the extent to which they are contaminated and the need for remediating to a suitable standard will be explored as and when planning applications are submitted.
- 10.12** Only one of the sites has a listed building present, Primrose St/Crossbank. This would not prevent development on site but it does act as a constraint on redevelopment as the listed element of the site would need to be incorporated into any proposals.
- 10.13** Overall, of all the existing allocations there is only two that there could be potential issues for business and industry development, that is on the part of the allocations B1.1.10 Junction Mill, Chadderton and 1.1.24 Royton Moss, Royton.

Addressing the Shortfall of Employment Land

10.14 This review has highlighted a potential deficit of 39.36 hectares of employment land up to 2026 in Oldham, therefore it is important to identify any sites that may be able to address this shortfall and are realistically developable. For the identification of new sites a number of sources were used:

- Land Reserved for Future Development (LRFD)
- Major Developed Site in the Green Belt
- Available sites within Masterplan areas

10.15 Oldham does not have a large amount of developable land, over half the borough is Green Belt. Developable land within the borough has many competing uses, including housing or community uses, as a result of initiatives such as Housing Market Renewal (HMR) and Building Schools for the Future (BSF). There are also pressures from competing pieces of work such as the Strategic Housing Land Availability Assessment (SHLAA).

10.16 The Oldham/Rochdale HMR Pathfinder was established in 2003. This is a long-term programme that seeks to invest substantial resources into transforming local housing markets. Its overall aim is *“to deliver transformation in the housing markets in our area that will create sustainable communities and lead to greater community cohesion”*. BSF is a new approach to capital investment in school buildings and facilities. It is intended to provide all secondary schools with 21st century learning environments over the next 10-15 years. Proposals may involve replacing, rebuilding or renovating schools and will have important spatial implications for the future use of land in the borough. The SHLAA is required by national planning guidance and it should aim to identify land suitable for housing and inform the establishment of a 15 year housing land supply.

10.17 So as well as needing to provide land for employment generating purposes, the LDF also needs to provide land for other uses, including residential, and needs to take account of a number of on going national initiatives.

Land Reserved for Future Development

10.18 Land Reserved for Future Development is land safeguarded for possible future development needs. It states in the current UDP in paragraph 11.51 that, ‘In future reviews of the UDP, land that is reserved for future development will be the first to be considered for development if allocated sites and stocks of brownfield land are insufficient to meet needs.’ Within the UDP there are 7 sites allocated as LRFD and they were all included as potential sites for employment land in the Draft ELR. However since the Draft ELR was printed other pieces of work have been produced such as the Core Strategy Preferred Options and the Strategic Housing Land Availability Assessment (SHLAA) and it has become more apparent that of the 7 LRFD there are two that could be suitable for employment led development, with others being more suitable for other uses. The two are LRDF 3 Foxdenton and LRFD 4 Foxdenton.

10.19 Within the Core Strategy Preferred Options LRDF 3 Foxdenton and LRFD 4 Foxdenton along with Other Protected Open Land 3 Foxdenton, has been included as a proposed employment area for premium employment led development. In total the three sites

total 44.14 hectares and would go a considerable way to meeting the identified shortfall in employment land. It would also provide a unique offer in the borough as currently there are no large sites for employment led development.

- 10.20** The exact nature of the uses on the site are yet to be determined, with more work needed to be done, including a SFRA, transport modelling, ground conditions survey and habitats regulations assessment. It is accepted that in order to make employment development viable on the site a degree of residential would be necessary to make it viable and to provide a buffer to the existing dwellings. However, it is currently unknown (until further work has been completed) how much residential development will be needed, but we are assuming that up to 25% of the site may be permitted for residential development.

Major Developed Site in the Green Belt

- 10.21** Robert Fletchers Paper Mill in Greenfield is currently allocated in the UDP as a Major Developed Site in the Green Belt. The allocation is for a mix of uses including employment generating uses (B1 and/or B2), tourism or leisure appropriate to the location. Live/work units may also be permitted. The Core Strategy Preferred Options has proposed to maintain this allocation for the plan period, this means it can contribute towards Oldham's employment land portfolio for the plan period. The size of the site is 5.4 hectares and is a large complex of mill buildings in a unique location adjacent to the Peak District National Park.

Available sites within Hollinwood Business District

- 10.22** A potential source of 'new' employment sites could come from sites within the council's Hollinwood masterplan. The Hollinwood Business District masterplan sets out the following vision for the area:

A new business led district for Oldham – that meets Oldham's needs for good quality business space in an efficient and attractive environment to support a growing and productive local economy.'

- 10.23** However within Hollinwood Business District there are a number of allocations that are yet to be developed and therefore have already been assessed and contribute towards the 42.44 hectares that may be taken forward through the Site Allocations DPD. There are also some established uses within the site including the Northern Counties head office, so overall there will be a limited supply of 'new' employment sites within this area.
- 10.24** Two potential 'new' sites that could contribute towards the boroughs future employment land portfolio within the Hollinwood Business District are the old Roxy Cinema site and Windsor Mill. The old Roxy Cinema site totals 0.5 hectares in size and is a landmark site on the corner of the Oldham/Manchester Road and the M60. It is a council owned cleared site. Windsor Mill is 0.61 hectares in size and a near derelict mill building on Manchester Road adjacent to the Roxy site. It is also closely located to Business and Industry allocation B1.2.6 Albert Street. If these two sites are taken forward through the Site Allocations DPD, that would be an additional 1.11 hectares of employment land and it would also help in reinforcing the masterplans vision of creating a business led district.

First Stage Appraisal of Potential 'New' Employment Sites

10.25 Six new sites have been identified in this report as having the potential to contribute towards Oldham's business and industrial land portfolio. These sites have been subject to the same site appraisal as the existing portfolio of sites, as documented in Chapter 7, looking at Market Attractiveness, Sustainable Development and Strategic Planning criteria. Table 28 shows the score for each site:

Table 29 First stage appraisals of potential employment sites

Name	Size (Ha)	Market Attractiveness Score (35 Max)	Sustainable Development Score (35 Max)	Strategic Planning Score (35 Max)	Total Score (105 Max)
Foxdenton LR3	14.5	32.5	20	20	72.5
Foxdenton LR4	13.5	31	21	19	71
Foxdenton OPOL 3	16.14	29.5	20	19	68.5
Robert Fletchers Paper Mill	5.4	21	20	19	60
Old Roxy Cinema Site	0.5	30	30	21	81
Windsor Mill, Hollinwood	0.61	25.5	28	23	76.5

10.26 None of the sites above score less than half in any of the categories. In total these sites equate to 50.65 hectares. If this 50.65 hectares is taken forward for consideration in the Site Allocations DPD along with the 42.44 hectares of existing available employment land, there will be a total of 93.09 hectares of potential employment land to be assessed at in the Site Allocations DPD. This is 11.29 hectares above the 81.8 hectares that is forecast the borough will require up to 2026.

Possible Constraints on Potential 'New' Sites

10.27 The potential 'new' sites have to be assessed for any development constraints. Table 29 shows the findings from this.

Table 30 Second stage appraisal of potential employment sites

Site Name	Size (Ha)	Flood Zone	Access to Public Transport (based on UDP definitions)	Potentially Contaminated Land	Listed Buildings
Foxdenton LR3	14.5	100% zone 1	Good	Yes	No

Site Name	Size (Ha)	Flood Zone	Access to Public Transport (based on UDP definitions)	Potentially Contaminated Land	Listed Buildings
Foxdenton LR4	13.5	100% zone 1	Mixture	Yes	No
Foxdenton OPOL3	16.14	86.2% zone 1 2.6% zone 2 1.4% zone 3a 9.8% zone 3b	Very Good on the whole	Yes	Yes
Robert Fletchers Paper Mill	5.4	53.1% zone 1 46.2% zone 2 0.4% zone 3a 0.3% zone 3b	Less the basic	Yes	No
Roxy Cinema Site	0.5	100% zone 1	Very Good	Yes	No
Windsor Mill, Hollinwood	0.61	100% zone 1	Very Good	Yes	No

10.28 From the constraints table above it can be seen that in relation to flood risk, based on Oldham's SFRA, Foxdenton (OPOL 3) and Robert Fletchers Paper Mill both have parts of the site that lie within zone 3b. Development proposals should be located entirely within flood zone 1 in the first instance, then zone 2 and then zone 3a, following the Sequential Test. The part of the sites that are covered by Flood Zone 3b will have to be excluded from the overall developable area were any planning applications to come forward.

10.29 Both sites were looked at as part of Oldham's Level 2 SFRA. In relation to Foxdenton the conclusion was that the site is acceptable for development though there are some key issues that would need further consideration. The SFRA states that a FRA would benefit from a CCTV survey and a more detailed assessment of what blockage scenario would be realistic for the assessment of residual risk. However, the SFRA confirms that the culvert capacity along Wince Brook is adequate provided appropriate inspection and maintenance continues. Foxdenton is also within a Critical Drainage Area. In relation to Robert Fletchers the fluvial flood risk is low, however there is residual flood risk to the site from Dovestone Reservoir that could not be quantified in the SFRA. There is also a millpond and a reservoir outflow channel adjacent to the site which could pose a residual risk.

10.30 Again the sites have varying degrees of public transport accessibility, with Robert Fletchers having less than basic public transport accessibility. The public transport accessibility in itself would not be a barrier to development as any permissions granted can be conditioned to provide travel planning measures, one of which could be for employers to provide a bus service for employees.

10.31 All sites have the potential to be contaminated, this is due to a number of reasons including sites previously being used for storage tanks, cotton mills and the potential that neighbouring uses have contaminated the sites. However as with the existing employment sites, the extent to which they are contaminated and the need for remediating to a suitable standard will be explored as and when planning applications are submitted, and though it may effect the viability of developments it does not stop them coming forward.

10.32 The only site with a listed building present is the Farmhouse in Foxdenton OPOL 3. This would not prevent development on site but it does act as a constraint on redevelopment as the listed element of the site would need to be incorporated into any proposals.

Conclusions

10.33 From the site assessments of existing and potential 'new' sites, it is recommended that the 42.44 hectares of existing employment sites are taken forward and looked at through the Site Allocations DPD along with the 50.65 hectares identified as potential 'new' employment sites. This totals 93.09 hectares.

Table 31 Summary of headline figures from Employment land Review

	Hectares
Potential employment land need in Oldham up to 2026	81.8
Existing employment sites to be taken forward through the LDF	42.44
'New' sites identified to be taken forward through the LDF	50.65
Total sites to be taken forward through the LDF	93.09

10.34 It is crucial, if Oldham is to achieve the employment land required for the plan period, that the sites at Foxdenton (Land Reserved 3, Land Reserved 4 and Other Protected Open Land 3) are allocated for employment-led mixed used development through the LDF. If the 44.14 hectares at Foxdenton are not taken forward for employment development in the LDF then Oldham will have a deficit of employment land up to 2026 and will have to rely on neighbouring authorities, including the Regional Centre and the Strategic Regional Sites in neighbouring authorities to provide employment sites for the workforce in the future. This could be an unsustainable option in terms of travel to work times but it is a real possibility if Oldham cannot provide an adequate amount of quality employment sites.

10 Appendix 1 Glossary of Terms

Glossary of Terms

Annual Business Enquiry (ABI) – is a statutory annual survey conducted under the Statistics of Trade Act 1947. It is a survey of employment information from businesses and other establishments in most industry sectors of the economy.

Businesses receive a questionnaire which asks for a profile of its employees at a specified date in the year. This profile includes working patterns (full- or part-time), gender, and whether the employee is a working proprietor. (NOMIS)

Plot Ratio – The ratio between total floorspace and the total site area. For example, in this ELR, a standard plot ratio of 40% has been used; this assumes that the buildings involved in a development occupy 40% of the entire site.

Standard Industrial Classification (SIC) - is used to classify business establishments and other statistical units by the type of economic activities they are engaged in. (ONS)

Take Up Rates - the amount of land that is developed for business and industry annually.

Use Classes Order – The different uses to which land can be put are classified for planning purposes in the Town and Country Planning (Use Classes) Order 2005.

B1a/b Use Class - Offices (other than a use within Financial Services) and for research and development purposes

B1c/B2 Use Class - Light Industry and General Industry

B8 Use Class - Storage and Distribution

Vacancy Rates – This is the percentage of overall vacant floorspace stock, it is produced by DCLG and published in the Commercial and Industrial Property Estimated Vacancy Statistics

11 Appendix 2 Stage One Employment Land Review

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August 2007

Oldham MBC

Employment Land Review: Final Report

Executive Summary

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Executive Summary

In order to qualitatively assess the current portfolio of employment sites in Oldham, Donaldsons and the OMBC project team identified a list of some 68 sites and locations across the Borough potentially available for development for industry/employment uses.

In line with ODPM guidance in relation to Employment Land Studies a site assessment proforma was developed comprising a series of criteria in three groups, namely:

- Market Attractiveness criteria (x10);
- Sustainable Development criteria (x7); and
- Strategic Planning criteria (x7).

Each of the identified sites and locations was scored against each criterion giving a total score for each group of criteria and an overall quality score.

Sites tend to be clustered in four general locations within the Borough. Sites in the Broadway industrial area, along with those at Hollinwood and in the Town Centre were considered to be most attractive to the market. However, Broadway sites did not score as well in relation to sustainability and strategic planning, whereas the Town Centre and Hollinwood sites were amongst the highest scorers. Sites in the Higginshaw industrial area scored moderately in relation to all three groups of criteria.

Outside of these established employment locations, sites were generally less attractive in market terms. In addition, those sites in the smaller settlements to the east of the Borough and at the periphery of the built up area of Oldham were also found to be less sustainable and less able to deliver strategic planning objectives.

In total there are some 15 sites available for industry/employment uses, comprising 37.60ha, available for employment development and that meet the identified quality thresholds. This represents just 4.6 years supply at current take up rates. As such, there is a very strong case for seeking to identify further sites for employment development in the Borough.

On this basis, Donaldsons assessed the potential of sites LR3 and LR4, identified in the UDP as 'Land Reserved for Future Development'. These sites scored above the overall qualitative threshold. Collectively, these sites could provide an additional 28ha of high quality employment land to the Borough. As such, it is recommended that these sites are subject to further investigation as to their potential for allocation for employment development.

1 Introduction

Review Aims & Objectives

1.1 The aim of the Oldham Employment Land Review is to establish the ‘fitness for purpose’ of the existing portfolio of available employment land in Oldham. In order to achieve this, the objectives of the Review are to assess the quality, availability and quantity of allocated employment sites in the borough, along with that of other sites being considered for employment development.

1.2 This Employment Land Review is part of the evidence base required to inform the emerging Oldham Local Development Framework (LDF). Its findings will inform the development of options for the future provision of employment land, as part of the Core Strategy. In order to be sufficiently robust to form part of the LDF evidence base, the Review will have to adhere to the ODPM (now DCLG) guidance on undertaking Employment Land Reviews.

Context

1.3 The Oldham and Rochdale Economic and Spatial Framework (2005) concluded that the area has one of the poorest commercial property offers in the country. This conclusion was based on the very high prevalence of pre 1940 employment accommodation and the low provision of more modern (post 1980) floorspace.

1.4 The Economic Development and Enterprise section of the Local Area Agreement states that it will seek to create an environment to encourage entrepreneurship and investment. In turn this should promote the growth of existing businesses and attract new businesses to the area, particularly those in identified growth sectors. If this is to be achieved the LDF will need to identify a portfolio of sites of sufficient scale and quality to meet the requirements of businesses in these sectors. Allied to this, a suite of policies which provide ample protection of the best employment sites from other forms of development will also be required.

Report Scope & Purpose

1.5 This draft Final Report sets out the approach to the Review and its initial findings. The Methodology for undertaking the review, set out in detail in Section 2 below, is based on the ODPM guidance on Employment Land Reviews in terms of both the key stages/tasks and the details in terms of site assessment criteria. Section 2 describes how the site assessments were undertaken, the criteria which were applied and the scoring system.

1.6 The findings of the site assessments are discussed and analysed in relation to each of the groups of criteria: Market attractiveness; Sustainability; and Strategic Planning, to inform analysis of the overall scoring of the sites.

1.7 Based on these findings, the final section of this Report provides conclusions as to the ‘fitness for purpose’ of the current portfolio of employment sites in both quantitative and qualitative terms and sets out recommendations as to potential approaches to delivering the conditions to promote

indigenous business growth, to attract new businesses in growth sectors to the area, and to maximise investment in and development of employment sites and premises.

Structure

1.8 In order to meet the requirements of the scope and purpose of the report, as set out above, the remainder of the Report is set out as follows:

- Section 2 - Methodology & Criteria
- Section 3 - Site Assessment Findings
- Section 4 - Conclusions & Recommendations

2 Methodology

Introduction

2.1 The methodology for undertaking this project closely adheres to the ODPM guidance on Employment Land Reviews. We consider that this approach is very robust and will provide the Council with a comprehensive evidence base on which future policies can be built. This methodology is set out below.

Site identification

2.2 In partnership with the OMBC Project Steering Group, Donaldsons sought to identify all land and premises available for employment development. The scope of this site search included: land within Primary Employment Zones (PEZs); land outside PEZs but allocated for employment; land within allocated mixed use areas; land last used for employment uses but now vacant and unallocated; and land with planning permission for employment uses. This provided a database of sites to be qualitatively assessed. Of the original 48 sites that were provided for assessment, 22 were removed as being considered unavailable or unsuitable thus leaving 26 that were then scored accordingly.

2.3 For each of the sites on the database, a range of baseline information was sought, including details of the last known use, its allocated use (if allocated), the marketing position, its location in terms of the ward in which it is located. Mapping of each site was provided by OMBC.

Site Assessment Method & Proforma

2.4 Each of the sites identified in the database was visited by two Donaldsons professional staff for the purposes of site assessment. In order to ensure robustness and continuity, the site assessment team was consistent for all of the sites.

2.5 Based on the suggested criteria in Boxes 4.5 and 4.6 of the ODPM guidance, amended to reflect local characteristics and circumstances, Donaldsons devised a 'Site Assessment Proforma'. This was then reviewed and agreed with the OMBC Project Steering Group as the basis for qualitatively assessing the sites.

2.6 The site assessment criteria are grouped into three categories, namely market attractiveness; sustainability; and strategic planning. Each site is scored out of five against each criterion. Scores are given on the basis of Donaldsons knowledge of, and in the context of, the quality of sites in the Greater Manchester City Region.

2.7 There are 10 market attractiveness criteria and 7 criteria each for sustainable development and strategic planning. Therefore, market attractiveness is given a higher weighting than sustainable development and strategic planning. It is felt that this is appropriate and robust approach, given the competition for employment development and the scale and nature of competing sites in the area.

2.8 The individual criteria under each of these headings are discussed further below.

Site Assessment Criteria

Market Attractiveness Factors

2.9 The Market Attractiveness criteria seek to determine the extent to which an individual site would be attractive to both the development industry and the occupiers they serve. The factors therefore include those relating to the ease with which a site can be developed and the suitability and benefits of the sites as a business location – particularly for businesses in target/growth sectors. The criteria are:

- Ownership – whether the site is in public or private sector ownership, whether employment development is being sought and whether there are multiple ownerships which may constrain development;
- Availability – whether the sites are immediately available for development or whether for any reason(s) there is the need for intervention for purposes of, for example remediation or land assembly which would delay development;
- Market Activity/Developer interest – whether there is, or there is likely to be, developer interest in bringing forward the site for employment development, or evidence of recent employment development activity in the area;
- Suitability for growth sectors – whether the site's characteristics meet the requirements of businesses in identified growth sectors such as financial & professional services, logistics, biotech, creative industries or advanced manufacturing;
- Development constraints – the presence or otherwise of other development constraints such as contamination, topography, site access etc;
- Need for investment – whether development of the site would require public sector funding assistance in order to be developed for employment uses, whether for the purposes of land assembly, remediation or any other issue;
- Viability – the extent to which employment development of the site would represent a viable/profitable commercial development opportunity;
- Accessibility – the strategic accessibility of the site (i.e. not immediate access into the site) to enable goods and services to be both brought in and distributed within the sub-region, region, nationally and internationally;
- Site/premises condition – whether the site would require clearance, earthworks or other works to enable development; and
- Quality of surrounding environment – the extent to which the immediate environment around the site will assist in attracting occupiers and therefore developer interest. Factors include air quality, proximity to open space, proximity to shops/services/amenities.

Sustainable Development Criteria

2.10 This range of criteria seek to assess sustainability of employment development at the location in terms of how easily it can be accessed by non-car modes, whether it utilises previously developed land and whether employment development is the most suitable use of the site.

- Location – whether the site is located within the town centre and as such is most accessible and sustainable, on the edge of the centre, elsewhere in the built up area or in less sustainable smaller settlements and rural areas;

- Previously developed/greenfield – development on previously developed land minimises the need for development of greenfield sites and as such is more sustainable;
- Public transport accessibility – regular and good quality public transport services and infrastructure will enable a greater proportion of employees to travel to work by non-car modes and as such represent more sustainable locations;
- Accessibility by foot and bicycle – walking and cycling are the most sustainable means of transport and therefore sites which are accessible to a large population on foot or bicycle by virtue of their location and surrounding topography are the most sustainable;
- Environmental impact – the impact of development of the site on the environment in terms of any necessity to fell trees, implications for visual amenity/landscape quality, implications for emissions/air quality etc’;
- Suitability for employment development – whether the site, by virtue of its scale, nature, characteristics and surrounding uses/environment is suitable for employment development; and
- Suitability/benefits of other forms of development - whether the site, by virtue of its scale, nature, characteristics and surrounding uses/environment is more suitable for other forms of development and could provide greater benefit to the community than employment development. A site considered more suitable for non employment development would receive a low score.

Strategic Planning Criteria

2.11 These criteria relate to how development of the site would assist in delivering local and regional planning, regeneration and economic development objectives as set out in adopted plans and strategies.

- Planning context – whether the site has planning permission for employment development, is allocated for employment development, is located within a Primary Employment Zone or is unallocated/allocated for non-employment uses. Sites with permission for employment development and those allocated for such uses receive highest scores;
- Assisted area status – the map of ‘assisted area’ i.e. those which will be the target for public investment was recently revised. Those wards which are assisted areas can benefit from public investment and are the priority for regeneration and development;
- Importance to RSS/RES delivery – whether a site, by virtue of its scale, nature, location and characteristics will assist in delivering the objectives of the Regional Spatial Strategy and Regional Economic Strategy;
- Specific user/use – whether the site has a specific use or uses proposed, which is likely to increase the likelihood of development being brought forward;
- Regeneration/development proposals – whether the site lies within an area which is subject to an area-based regeneration or development initiative such as a master plan and if so, is the site identified for employment development;
- Importance to local economic development activities – whether the development of the site would assist in delivering the objectives of the local Economic Development Strategy; and
- Neighbouring uses – whether employment development would be an appropriate use to sit alongside existing buildings and uses in the immediate surrounding area.

3 Site Assessment Findings

Introduction

3.1 This section of the report sets out the findings of the site assessment exercise. As discussed above, sites were assessed against three groups of criteria – market attractiveness, sustainable development and strategic planning, which form the basis for the analysis of the scoring of sites below.

3.2 The proformas for each site, showing the scoring against each criterion, are provided in a separate appendix.

Market Attractiveness Factors

3.3 The scores for sites against the Market Attractiveness criteria are set out below in rank order. The highest possible score for market attractiveness is 50.

Sites available for industry/employment uses

Site Type	Site Reference	Site Name	Net Land Remaining (Ha)	Proposed Use	Market Attractiveness (max 50)
Business and Industry	1.1.10	Junction Mill, Chadderton /Broadway	4.19	B1 / B2	42
Business and Industry	1.2.6	Albert St. Hollinwood	5.49	B1	41
Business and Industry	1.2.7	Stable St, Hollinwood	0.41	B1	41
Business and Industry	1.1.11	Causeway North, Broadway	4.98	B2	41
Business and Industry	1.1.6	White Moss View, Greengate Industrial Park	0.7	B2	39
Business and Industry	1.2.1	Southlink Business Park	0.4	B1	38
Business and Industry	1.1.28	Huddersfield Road, Diggle	2.6	B2	36
Mixed	3	Oldham Rd/ Hardman St, Failsworth	0.76	B1 / B2	36
Business and Industry	1.2.2	Sefton St, Hollinwood	1.61	B1	35
Business and Industry	1.1.3	Mersey Rd, Hollinwood	0.93	B2	35

Site Type	Site Reference	Site Name	Net Land Remaining (Ha)	Proposed Use	Market Attractiveness (max 50)
Business and Industry	1.1.8	Greengate, Chadderton	1.22	B1	35
Business and Industry	1.1.20	High Barn St, Royton	0.64	B2	35
Business and Industry	1.2.5	Primrose St/ Crossbank St	3.78	B1	34
Business and Industry	1.1.21 B	British Gas, Royton (South)	2.91	B2	34
Business and Industry	1.1.24	Royton Moss, Royton	3.49	B2 / B8	34
Business and Industry	1.1.19	Coin St, Royton	0.4	B2	33
Business and Industry	1.1.21 A	British Gas, Royton (North)	3.63	B2	32
Waste	1.2.1	Waste Site, Westwood Industrial	3.1	B2	31
Unallocated	1	Orb Mill, Waterhead	2.65	B2	30
Business and Industry	1.1.9	Moston Rd, Chadd/Broadway	1.58	B2 / B8	27
Business and Industry	1.1.18	Ram Mill, Chadderton	2.02	B2	26
Business and Industry	1.1.5	Sellers Way, Hollinwood	0.99	B2	25
Business and Industry	1.2.4	Oldham Way/Train Station	1.7	B1	21
Business and Industry	1.1.26	Beal Lane, Shaw	1.07	B2	21
Business and Industry	1.2.3	Union St/Oldham Way cutting	0.99	B1	19
Business and Industry	1.1.25	Clarence Street, Royton	0.93	B2	16

3.4 The highest scoring site which is allocated for employment development is at Junction Mill in Chadderton, close to Broadway Business Park. The Junction Mill site scores 42 out of 50. The sites at Albert Street and Stable Street in Hollinwood and the Causeway North site in at Broadway all score 41 out of 50. The average score for sites against the market attractiveness factors is 32.2 out of 50.

3.5 In broad geographic terms, sites at Broadway/Greengate industrial area of Chadderton and sites in Hollinwood generally scored very well for market attractiveness. Broadway is now an established and popular employment location which has grown significantly in recent years and diversified in terms of its uses (now comprising of high quality office and industrial developments). Hollinwood's market attractiveness stems primarily from its profile and accessibility, which is particularly attractive for office-based uses.

3.6 Sites in the Higinshaw Industrial Area are generally considered slightly less attractive to the market given the variable quality/somewhat historic nature of existing developments and its lesser profile and current accessibility. Much of remaining land in this location is 'backland' and as such also less attractive to the market. The former British Gas site at Higinshaw represents the most attractive development proposition in this location.

3.7 Sites in the smaller settlements to the east and on the eastern periphery of the built up area of Oldham are significantly less attractive to the market due to the limited number and scale of existing businesses and accessibility issues.

Sustainable Development Factors

3.8 The scores for sites against the Sustainable Development criteria are set out below in rank order. The highest possible score for sustainable development is 35.

Sites available for industry/employment uses

Site Type	Site Reference	Site Name	Size Remaining (Ha)	Proposed Use	Sustainable Development (max 35)
Business and Industry	1.2.2	Sefton St, Hollinwood	1.61	B1	31
Waste	1.2.1	Waste Site, Westwood Ind	3.1	B2	31
Business and Industry	1.2.6	Albert St, Hollinwood	5.49	B1	30
Business and Industry	1.2.1	Southlink Business Park	0.4	B1	30
Business and Industry	1.2.4	Oldham Way/Train Station	1.7	B1	30
Mixed	3	Oldham Rd/Hardman St, Failsworth	0.76	B1 / B2	30

Site Type	Site Reference	Site Name	Size Remaining (Ha)	Proposed Use	Sustainable Development (max 35)
Business and Industry	1.1.3	Mersey Rd, Hollinwood	0.93	B2	29
Business and Industry	1.2.5	Primrose St/ Crossbank St	3.78	B1	29
Business and Industry	1.1.5	Sellers Way, Hollinwood	0.99	B2	29
Business and Industry	1.2.7	Stable St, Hollinwood	0.41	B1	28
Business and Industry	1.2.3	Union St/Oldham Way cutting	0.99	B1	28
Business and Industry	1.1.10	Junction Mill, Chadderton/ Broadway	4.19	B1 / B2	27
Business and Industry	1.1.8	Greengate, Chadderton	1.22	B1	27
Business and Industry	1.1.6	White Moss View, Greengate Industrial Park	0.7	B2	26
Business and Industry	1.1.24	Royton Moss, Royton	3.49	B2 / B8	26
Business and Industry	1.1.21 B	British Gas, Royton (South)	2.91	B2	25
Business and Industry	1.1.21 A	British Gas, Royton (North)	3.63	B2	25
Business and Industry	1.1.18	Ram Mill, Chadderton	2.02	B2	25
Unallocated	1	Orb Mill, Waterhead	2.65	B2	25
Business and Industry	1.1.20	High Barn St, Royton	0.64	B2	23
Business and Industry	1.1.19	Coin St, Royton	0.4	B2	23
Business and Industry	1.1.11	Causeway North, Broadway	4.98	B2	22
Business and Industry	1.1.9	Moston Rd, Chadd/Broadway	1.58	B2 / B8	22

Site Type	Site Reference	Site Name	Size Remaining (Ha)	Proposed Use	Sustainable Development (max 35)
Business and Industry	1.1.25	Clarence Street, Royton	0.93	B2	22
Business and Industry	1.1.26	Beal Lane, Shaw	1.07	B2	21
Business and Industry	1.1.28	Huddersfield Road, Diggle	2.6	B2	13

3.9 Sites within and close to the town centre, and those at Hollinwood, generally achieved high scores for sustainability. Nine sites in these locations scored between 29 and 31 out of 35, with the highest being the Sefton Street site at Hollinwood. These high scores are as a result of the excellent non-car accessibility which will result from the Metrolink, their brownfield nature and minimal environmental impact. The average score for sustainability is 25.7.

3.10 To a lesser extent, sites in the Higginshaw Industrial Area also score relatively well particularly as a result of the proposed metrolink, whilst sites at Broadway tend to score relatively badly for sustainability given quite poor accessibility by none car modes (although a limited bus service does exist).

Strategic Planning Factors

3.11 The scores for sites against the Strategic Planning criteria are set out below in rank order. The highest possible score for Strategic Planning is 35.

Sites available for industry/employment uses

Site Type	Site Reference	Site Name	Size Remaining (Ha)	Proposed Use	Strategic Planning (max 35)
Business and Industry	1.1.5	Sellers Way, Hollinwood	0.99	B2	30
Business and Industry	1.2.2	Sefton St, Hollinwood	1.61	B1	27
Business and Industry	1.2.3	Union St/Oldham Way cutting	0.99	B1	26
Business and Industry	1.2.1	Southlink Business Park	0.4	B1	25
Business and Industry	1.1.11	Causeway North, Broadway	4.98	B2	25
Waste	1.2.1	Waste Site, Westwood Industrial	3.1	B2	25

Site Type	Site Reference	Site Name	Size Remaining (Ha)	Proposed Use	Strategic Planning (max 35)
Business and Industry	1.1.3	Mersey Rd, Hollinwood	0.93	B2	24
Business and Industry	1.2.7	Stable St, Hollinwood	0.41	B1	24
Business and Industry	1.2.6	Albert St, Hollinwood	5.49	B1	23
Business and Industry	1.1.21 B	British Gas, Royton (South)	2.91	B2	23
Business and Industry	1.1.21 A	British Gas, Royton (North)	3.63	B2	23
Business and Industry	1.2.4	Oldham Way/ Train Station	1.7	B1	22
Business and Industry	1.2.5	Primrose St/Crossbank St	3.78	B1	22
Business and Industry	1.1.10	Junction Mill, Chadderton/ Broadway	4.19	B1 / B2	22
Business and Industry	1.1.8	Greengate, Chadderton	1.22	B1	22
Business and Industry	1.1.9	Moston Rd, Chadd/Broadway	1.58	B2 / B8	22
Business and Industry	1.1.6	White Moss View, Greengate Industrial Park	0.7	B2	20
Business and Industry	1.1.24	Royton Moss, Royton	3.49	B2 / B8	20
Business and Industry	1.1.18	Ram Mill, Chadderton	2.02	B2	20
Business and Industry	1.1.20	High Barn St, Royton	0.64	B2	19
Business and Industry	1.1.28	Huddersfield Road, Diggle	2.6	B2	16
Business and Industry	1.1.19	Coin St, Royton	0.4	B2	15
Business and Industry	1.1.25	Clarence Street, Royton	0.93	B2	15

Site Type	Site Reference	Site Name	Size Remaining (Ha)	Proposed Use	Strategic Planning (max 35)
Business and Industry	1.1.26	Beal Lane, Shaw	1.07	B2	15
Mixed	3	Oldham Rd/Hardman St, Failsworth	0.76	B1 / B2	14
Unallocated	1	Orb Mill, Waterhead	2.65	B2	12

3.12 The highest scoring site against the Strategic Planning criteria is Sellers Way in Hollinwood, which scores 30 out of 35, and is bolstered by the fact that it benefits from an identified user/developer – the adjacent Sellers Engineering. The average of all sites is 21.7.

3.13 Generally, sites within the Town Centre and Hollinwood score well, given that they are a focal point of regeneration and economic development activity and the subject of masterplans and development proposals. Conversely, sites in the Higginshaw and Broadway areas score somewhat lower as they are no longer the focus in regeneration and economic development terms. Peripheral sites in the eastern part of the borough also score poorly for strategic planning.

Overall Qualitative findings

3.14 The overall scores for the sites are set out below in rank order. The highest possible overall score is 120.

Sites available for industry/employment uses

Site Type	Site Reference	Site Name	Net Land Remaining (Ha)	Proposed Use	Market Attractiveness (max 50)
Business and Industry	1.1.10	Junction Mill, Chadderton/ Broadway	4.19	B1 / B2	42
Business and Industry	1.2.6	Albert St. Hollinwood	5.49	B1	41
Business and Industry	1.2.7	Stable St, Hollinwood	0.41	B1	41
Business and Industry	1.1.11	Causeway North, Broadway	4.98	B2	41
Business and Industry	1.1.6	White Moss View, Greengate Industrial Park	0.7	B2	39
Business and Industry	1.2.1	Southlink Business Park	0.4	B1	38

Site Type	Site Reference	Site Name	Net Land Remaining (Ha)	Proposed Use	Market Attractiveness (max 50)
Business and Industry	1.1.28	Huddersfield Road, Diggle	2.6	B2	36
Mixed	3	Oldham Rd/Hardman St, Failsworth	0.76	B1 / B2	36
Business and Industry	1.2.2	Sefton St, Hollinwood	1.61	B1	35
Business and Industry	1.1.3	Mersey Rd, Hollinwood	0.93	B2	35
Business and Industry	1.1.8	Greengate, Chadderton	1.22	B1	35
Business and Industry	1.1.20	High Barn St, Royton	0.64	B2	35
Business and Industry	1.2.5	Primrose St/Crossbank St	3.78	B1	34
Business and Industry	1.1.21 B	British Gas, Royton (South)	2.91	B2	34
Business and Industry	1.1.24	Royton Moss, Royton	3.49	B2 / B8	34
Business and Industry	1.1.19	Coin St, Royton	0.4	B2	33
Business and Industry	1.1.21 A	British Gas, Royton (North)	3.63	B2	32
Waste	1.2.1	Waste Site, Westwood Ind	3.1	B2	31
Unallocated	1	Orb Mill, Waterhead	2.65	B2	30
Business and Industry	1.1.9	Moston Rd, Chadd/Broadway	1.58	B2 / B8	27
Business and Industry	1.1.18	Ram Mill, Chadderton	2.02	B2	26
Business and Industry	1.1.5	Sellers Way, Hollinwood	0.99	B2	25
Business and Industry	1.2.4	Oldham Way/Train Station	1.7	B1	21

Site Type	Site Reference	Site Name	Net Land Remaining (Ha)	Proposed Use	Market Attractiveness (max 50)
Business and Industry	1.1.26	Beal Lane, Shaw	1.07	B2	21
Business and Industry	1.2.3	Union St/Oldham Way cutting	0.99	B1	19
Business and Industry	1.1.25	Clarence Street, Royton	0.93	B2	16

3.15 The highest overall score for a site is achieved by the Albert Street site in Hollinwood, which scores 94 out of 120. Sites at Sefton Street and Stable Street in Hollinwood and the remaining land at Southlink Business Park score 93 out of 120. The average score across all sites is 79.6.

3.16 In general, the Hollinwood sites score best overall given their consistently high scores for each of the three groups of criteria. Whilst sites at Broadway/Greengate have very strong market attractiveness, they score less well in relation to sustainability giving overall scores generally slightly below those of sites in Hollinwood. Sites in the Higginshaw industrial areas form a tier, in overall qualitative terms, somewhat below sites in the Broadway/Greengate.

3.17 Sites located outside of these key employment locations almost universally achieve low scores and the likelihood of development occurring and the desirability of prioritising them for development is questionable.

Findings by Proposed use

3.18 In undertaking the site assessments, consideration was given to the most likely and suitable form of employment development at each site. Below is an analysis of the quality of sites broken down by employment use type.

B1 – Offices

3.19 There are significantly fewer sites identified for B1 office development than for industrial/storage & distribution uses. The overall scores for sites where there is considered to be potential for office development are set out in rank order below

Site Type	Site Reference	Site Name	Size	Use	Total Score (max 120)
Business and Industry	1.2.6	Albert St. Hollinwood	5.49	B1	94
Business and Industry	1.2.2	Sefton St, Hollinwood	1.61	B1	93
Business and Industry	1.2.1	Southlink Business Park	0.4	B1	93

Site Type	Site Reference	Site Name	Size	Use	Total Score (max 120)
Business and Industry	1.2.7	Stable St, Hollinwood	0.41	B1	93
Business and Industry	1.1.10	Junction Mill, Chadderton/ Broadway	4.19	B1 / B2	91
Business and Industry	1.2.5	Primrose St/Crossbank St	3.78	B1	85
Business and Industry	1.1.8	Greengate, Chadderton	1.22	B1	84
Mixed	3	Oldham Rd/ Hardman St, Failsworth	0.76	B1 / B2	80
Business and Industry	1.2.3	Union St/ Oldham Way cutting	0.99	B1	73
Business and Industry	1.2.4	Oldham Way/Train Station	1.7	B1	73

3.20 Office based businesses have different site and location criteria than industrial uses and tend to require higher quality development sites in order to create the attractive environments sought by occupiers and which drive values. In addition, profile and accessibility by both car and non-car modes are often key considerations in determining overall quality of office developments. Therefore, demand tends to be driven towards town centre/town centre fringe locations and high profile sites at major road intersections.

3.21 This is borne out by the tables above which identify sites at Hollinwood and in and around the Town Centre as the highest quality office development locations. The viability of office development at the Union Street/Oldham Way cutting and the site of the current train station is highly questionable due to inherently high costs that would have to be incurred in bringing the sites into developable condition.

B2/B8 – Industrial & Storage/Distribution

3.22 The overall scores for sites where there is considered to be potential for B2 industrial and B8 storage and distribution development are set out in rank order below.

Site Type	Site Reference	Site Name	Size Remaining (Ha)	Proposed Use	Total Score (max 120)
Business and Industry	1.1.10	Junction Mill, Chadderton/ Broadway	4.19	B1 / B2	91

Site Type	Site Reference	Site Name	Size Remaining (Ha)	Proposed Use	Total Score (max 120)
Business and Industry	1.1.11	Causeway North, Broadway	4.98	B2	88
Business and Industry	1.1.3	Mersey Rd, Hollinwood	0.93	B2	88
Waste	1.2.1	Waste Site, Westwood Industrial	3.1	B2	87
Business and Industry	1.1.6	White Moss View, Greengate Industrial Parkk	0.7	B2	85
Business and Industry	1.1.5	Sellers Way, Hollinwood	0.99	B2	84
Business and Industry	1.1.21 B	British Gas, Royton (South)	2.91	B2	82
Business and Industry	1.1.21 A	British Gas, Royton (North)	3.63	B2	80
Business and Industry	1.1.24	Royton Moss, Royton	3.49	B2 / B8	80
Mixed	3	Oldham Rd/ Hardman St, Failsworth	0.76	B1 / B2	80
Business and Industry	1.1.20	High Barn St, Royton	0.64	B2	77
Business and Industry	1.1.9	Moston Rd, Chadd/Broadway	1.58	B2 / B8	71
Business and Industry	1.1.18	Ram Mill, Chadderton	2.02	B2	71
Business and Industry	1.1.19	Coin St, Royton	0.4	B2	71
Unallocated	1	Orb Mill, Waterhead	2.65	B2	67
Business and Industry	1.1.28	Huddersfield Road, Diggle	2.6	B2	65
Business and Industry	1.1.26	Beal Lane, Shaw	1.07	B2	57
Business and Industry	1.1.25	Clarence Street, Royton	0.93	B2	53

3.23 Industrial uses are usually driven by the ease with which goods can be brought in and distributed and as such sites with good access to the motorway network are highly sought after. Also, staff costs and the availability of a skilled and experienced workforce are key criteria for businesses in these sectors and this often leads to locational inertia – i.e. businesses do not want to move away from their established workforce. Therefore, proven and established industrial locations are often the subject of continued demand.

3.24 These factors are reflected in the strong showing of sites in the Broadway/Greengate area in the tables above, which is considered to be the primary industrial area in Oldham.

Findings by Site Size

3.25 Set out below are the sites ranked by the amount of land remaining available for development.

Sites available for industry/employment uses

Site Type	Site Reference	Site Name	Proposed Use	Total Score (max 120) / Rank	Size Remaining (Ha)
Business and Industry	1.2.6	Albert St. Hollinwood	B1	94 (1)	5.49
Business and Industry	1.1.11	Causeway North, Broadway	B2	88 (6)	4.98
Business and Industry	1.1.10	Junction Mill, Chadderton/Broadway	B1 / B2	91 (5)	4.19
Business and Industry	1.2.5	Primrose St/Crossbank St	B1	85 (9)	3.78
Business and Industry	1.1.21 A	British Gas, Royton (North)	B2	80 (14)	3.63
Business and Industry	1.1.24	Royton Moss, Royton	B2 / B8	80 (15)	3.49
Waste	1.2.1	Waste Site, Westwood Industrial	B2	87 (8)	3.1
Business and Industry	1.1.21 B	British Gas, Royton (South)	B2	82 (13)	2.91
Unallocated	1	Orb Mill, Waterhead	B1 / B2	67 (23)	2.65
Business and Industry	1.1.28	Huddersfield Road, Diggle	B2	65 (24)	2.6
Business and Industry	1.1.18	Ram Mill, Chadderton	B2	71 (20)	2.02

Site Type	Site Reference	Site Name	Proposed Use	Total Score (max 120) / Rank	Size Remaining (Ha)
Business and Industry	1.2.4	Oldham Way/Train Station	B1	73 (18)	1.7
Business and Industry	1.2.2	Sefton St, Hollinwood	B1	93 (2)	1.61
Business and Industry	1.1.9	Moston Rd, Chadd/Broadway	B2 / B8	71 (21)	1.58
Business and Industry	1.1.8	Greengate, Chadderton	B1	84 (11)	1.22
Business and Industry	1.1.26	Beal Lane, Shaw	B2	57 (25)	1.07
Business and Industry	1.1.5	Sellers Way, Hollinwood	B2	84 (12)	0.99
Business and Industry	1.2.3	Union St/Oldham Way cutting	B1	73 (19)	0.99
Business and Industry	1.1.3	Mersey Rd, Hollinwood	B2	88 (7)	0.93
Business and Industry	1.1.25	Clarence Street, Royton	B2	53 (26)	0.93
Mixed	3	Oldham Rd/Hardman St, Failsworth	B1 / B2	80 (16)	0.76
Business and Industry	1.1.6	White Moss View, Greengate Industrial Park	B2	85 (10)	0.7
Business and Industry	1.1.20	High Barn St, Royton	B2	77 (17)	0.64
Business and Industry	1.2.7	Stable St, Hollinwood	B1	93 (3)	0.41
Business and Industry	1.2.1	Southlink Business Park	B1	93 (4)	0.4
Business and Industry	1.1.19	Coin St, Royton	B2	71 (22)	0.4

3.26 The total amount of allocated employment land remaining in the Borough is 46.7ha, which represents a total of 5.8 years supply at current annual average take-up rates. Including the unallocated sites, mixed use allocation and the waste sites Westwood Industrial Estate,

total provision amounts to 53.17ha. However, a significant proportion of this land can be considered to be either unavailable for development or qualitatively deficient. This issue is considered further in Section 4: Conclusions & Recommendations below.

3.27 Another point of note from the table above is the very limited supply of larger development sites. Indeed, there is only one allocated site of over 5ha, namely the Albert Street Site in Hollinwood which extends to 5.49ha. There are 7 sites of between 2.5 and 5ha and just 5 sites between 1ha and 2.5ha. All of the remaining sites are less than 1ha in size.

4 Conclusions & Recommendations

Quality Thresholds

4.1 In order to effectively plan to meet the future requirements of existing business in Oldham which are seeking to grow, as well as businesses which might seek to locate/relocate to Oldham, it is necessary to protect the best quality sites from other forms of development. It is therefore necessary to set quality thresholds to identify those best quality sites to be preserved; to identify other sites which would also be suitable for employment development and should be afforded some level of protection; and to identify those sites which are unlikely to be, and perhaps should not be, developed for employment uses.

Best Quality Sites

4.2 We consider that in terms of market attractiveness, sites scoring 30 or under are unlikely to be taken up in the next 5-10 years if there is an adequate supply of sites in the Borough of a suitable quality. A score of 30 represents 60% of total available points. We consider it most important that sites allocated for employment uses have some likelihood of being developed for such uses.

4.3 Of course, potential employment sites should also be sustainable. Applying the same 60% threshold in relation to sustainability suggests that, perhaps, sites scoring less than 21 out of the 35 points available for sustainability should not be considered for development without prior consideration to how sustainability could be improved through improvements to public transport and pedestrian/cyclist accessibility.

4.4 On the basis of the above, we suggest that the best employment sites, and therefore those to be given the highest levels of protection through planning policy, should score over 60% for both market attractiveness and sustainability and have an overall score of over 80 out of 120. This represents 66.6%.

4.5 A total of 15 sites meet the quality thresholds identified above. These sites are shown in the table below.

Site Type	Site Reference	Site Name	Net Land Remaining (Ha)	Proposed Use	Total Score (max 120)
Business and Industry	1.2.6	Albert St. Hollinwood	5.49	B1	94
Business and Industry	1.2.2	Sefton St, Hollinwood	1.61	B1	93
Business and Industry	1.2.7	Stable St, Hollinwood	0.41	B1	93
Business and Industry	1.2.1	Southlink Business Park	0.4	B1	93
Business and Industry	1.1.10	Junction Mill, Chadderton/ Broadway	4.19	B1 / B2	91

Site Type	Site Reference	Site Name	Net Land Remaining (Ha)	Proposed Use	Total Score (max 120)
Business and Industry	1.1.11	Causeway North, Broadway	4.98	B2	88
Business and Industry	1.1.3	Mersey Rd, Hollinwood	0.93	B2	88
Waste	1.2.1	Waste Site, Westwood Industrial	3.1	B2	87
Business and Industry	1.2.5	Primrose St/Crossbank St	3.78	B1	85
Business and Industry	1.1.6	White Moss View, Greengate Industrial Park	0.7	B2	85
Business and Industry	1.1.8	Greengate, Chadderton	1.22	B1	84
Business and Industry	1.1.21 B	British Gas, Royton (South)	2.91	B2	82
Business and Industry	1.1.21 A	British Gas, Royton (North)	3.63	B2	80
Business and Industry	1.1.24	Royton Moss, Royton	3.49	B2 / B8	80
Mixed	3	Oldham Rd/Hardman St, Failsworth	0.76	B1 / B2	80

4.6 The Sellers way site is excluded from the list of highest quality sites above. Whilst the overall score for Sellers way is above the 80 out of 120 threshold, its score for market attractiveness is below the 30 out of 50 threshold given that it is landlocked and only accessible through the site currently occupied by Sellers Engineering. It is therefore only realistically available to that company.

Sites to be released

4.7 In addition to quality, and its constituent elements for this review (Market Attractiveness, Sustainability and Strategic Planning), there are other factors to be considered in identifying employment sites to be released for other forms of development. These may include the necessity to keep some spread of employment development opportunities across the Borough. For example, many of the lowest scoring sites are in the eastern half of the Borough and to release all of them would leave little, if any, employment land provision in these areas.

4.8 On this basis, we suggest sites are examined on a case by case basis. That said, all sites with an overall quality score of less than 65 out of 120 should be given careful consideration as to whether they should continue to form part of the portfolio of employment sites in the Borough. We consider that the following allocated sites have no prospect of being taken up in the next 5-10 years:

- Clarence Street, Royton – This is a small and very irregularly shaped area of incidental land remaining from the development of sites within PEZ 16. It is extremely inaccessible and its shape precludes any form of stand alone employment development;
- Beal Lane, Shaw – This site lies at the periphery of the built-up area of Oldham and some 2.5 miles, along relatively minor roads, from the nearest motorway junction. In addition, the site is relatively small, immediate access into the site is difficult, it is very overgrown (including with Japanese Knotweed) and has a watercourse running through it;
- Coin Street, Royton – This site comprises incidental land to the rear of a mill. The site is only 0.4ha and is split in two by a large retaining wall securing a change in levels of 15ft-20ft, it is considered that this site could not be developed viably;
- Moston Road, Chaaderton/Broadway – This is a long narrow strip of land extending to 1.6ha. It is bounded to the east by a railway line and to the west by the very poor quality road/track through which it is accessed. The site is densely overgrown and has been heavily fly-tipped. It is also understood that the site may suffer from contamination. The access, shape and conditions of the site are likely to preclude development of the site for employment uses;
- Union Street/Oldham Way Cutting – As the site name suggests this site comprises a deep railway cutting which may become available when the Metrolink is completed (assuming the route through the town centre is taken). Even in this eventuality, the amount of earthworks required to fill the cutting is likely to be too costly to enable viable employment development; and
- Oldham Way/Train Station – This site is currently in use as a train station and associated uses. Similar to the Cutting site above, its future developability is dependant on the final route of the Metrolink and as such it is highly unlikely to be available in the short to medium term. Again, to clear the existing railway infrastructure and remediate the site to enable employment development is unlikely to be viable.

4.9 Those sites scoring below the 80 out of 120 qualitative threshold but not included in the sites listed above are at Huddersfield Road, Diggle and the High Barn Street, Royton. The Huddersfield Road site scores relatively well for market attractiveness (36 out of 50) given that it has good road frontage and appears to be easily developable. However, the site's location and greenfield nature dictate that it scores poorly against sustainability and strategic planning criteria. Nonetheless, it is considered that of all sites identified in the eastern part of the Borough, this site represents the best opportunity of satisfying localised demand for employment development.

4.10 Similarly, the High Barn Street site in Royton scores well for market attractiveness and moderately well against the other two groups of criteria. It falls only slightly short of the overall qualitative threshold, which is primarily as a result of it being relatively inaccessible by public transport and its attractiveness for other (non employment) forms of development. However, the site lies in a predominantly employment area, it is brownfield, level and easily developable. As such, a case for its retention in the portfolio of employment sites can be made, particularly given the scarcity of employment sites in the area.

Supply of Sites & Need for Additional Allocations

Supply of Good Quality Employment Sites

4.11 The table at para 4.5 above reveals that there is a total of 37.6ha of allocated and available employment land in Oldham Borough which meets the quality thresholds. This compares to an average annual take-up of employment land (over the last 5 years) of 8.12ha. Therefore, there is just 4.6 years supply of sites remaining in the Borough, which represents a clear shortfall in supply, giving businesses a limited choice of sites and premises.

4.12 Such a shortfall in the availability of good quality sites is likely to hold back investment and development in the Borough. As such, there is a necessity for Oldham MBC to identify additional good quality sites to be allocated for employment uses in order to enable and promote future economic development in the Borough. There is a very clear justification for doing so in the statistics and analysis set out above, given that it is essential to maintain a supply of high quality employment sites if economic development is to be maintained.

4.13 One potential source of additional supply of employment land in the borough, which have the potential to provide a good supply of future employment land, are sites currently identified in the UDP as 'Land Reserved for Future Development'. Two of these sites (LR3 & LR4), were subjected to the same scoring mechanism as the other sites assessed above. The findings of this scoring are shown in the table below.

4.14 The table above demonstrates that these sites have very high levels of market attractiveness for both office and industrial development, as a result of their scale, developability and location close to the Broadway employment area - the most popular in the Borough. Storage and distribution uses would, in our opinion, not realise the full potential in terms of employment generation of these sites.

Site Type	Site Reference	Site Name	Net Land Remaining (Ha)	Proposed Use	Market Attractiveness (max 50)	Sustainable Development (max 35)	Strategic Planning (max 35)	Total Score (max 120)
Land Reserved	3	Foxdenton	14.5	B1 / B2	45	20	20	85
Land Reserved	4	Foxdenton	13.5	B2	42	21	19	82

4.15 Whilst the sites score slightly less well against sustainable development and strategic planning criteria, both sites comfortably meet the overall qualitative threshold applied to the other sites assessed above. Further, detailed masterplanning of the sites offers the potential to improve these aspects of the sites, particularly in terms of sustainability issues, through improving public transport

4.16 It is recommended that the potential of these sites as allocations for employment development should be further investigated.

Competition

4.17 The need to identify additional sites for employment development in the Borough should be seen in the context of competing sites and development opportunities in the surrounding Boroughs of Tameside, Rochdale and Manchester. Each of these Boroughs has a flagship employment development location in relatively close proximity to Oldham Borough. These are Ashton Moss in Tameside; Central Park in Manchester and Kingsway in Rochdale.

4.18 It is understood that there is capacity for 18.6ha of office development at Kingsway, over 20ha at Central Park and a small amount at Ashton Moss. In terms of capacity for industrial/storage & distribution development, Kingsway will provide some 80ha of land, whilst the remains over 12ha at Ashton Moss to be developed. In total therefore, in the areas immediately around Oldham, there are high quality employment development opportunities amounting to nearly 30ha of B1 office development and over 90ha of industrial/ storage & distribution land.

4.19 OMBC therefore needs to consider how it can provide opportunities that compete on a level qualitative playing field as these locations and, in particular, provides a similar level of market attractiveness. At present, we recommend the only sites capable of achieving this would be sites LR3 and LR4.

12 Appendix 3 Chapter 8 'Quantitative Employment Land Demand Analysis' from Draft ELR

8 Quantitative Employment Land Demand Analysis

- 8.1** The next stage of the ELR is to assess the demand for employment land in Oldham. The methodology for this section of the ELR has been informed by a variety of regional, sub-regional and local employment land studies and ODPM's Guidance Note, and is discussed throughout the stages.
- 8.2** Three employment land projection and forecasting methods have been looked at in the ELR. This has ensured that a broad analysis of the likely employment land requirements within the Borough has been explored so as to provide a robust evidence base on which to inform policies within the LDF.
- 8.3** The three methods are:
- Method One - Quantitative analysis of the econometric projections (AGMA's Greater Manchester Forecasting Model);
 - Method Two - Commercial and Industrial Floorspace and Rateable Value Statistics; and
 - Method Three - Historic take up rates for employment land (Looking at three different periods of time 1984-2007, 1999-2007, and 2003-2007).

Method One: Quantitative Analysis of the Econometric Projections

- 8.4** The Association of Greater Manchester Authorities (AGMA) has agreed to adopt a single economic and population forecasting model that focuses on the ten Greater Manchester authorities, in order to ensure consistency throughout the sub-region. The Greater Manchester Forecasting Model (GMFM) has been developed by the Oxford Economic Forecasting (OEF), and is a complex data tool that forecasts change in the future based on past trends.
- 8.5** The most recent employee forecasts made available by OEF at the time of writing this review, were the Reference Scenario 2007 and the Accelerated Growth Scenario 2007. There is also a Downside Scenario that has been formulated to take account of the recent downturn in the economy, however due to a partial update that was carried out this scenario is not consistent with the 2007 forecasts.
- 8.6** **The Reference Scenario 2007** - this scenario assumes that the local economy will follow a similar trend as in the past with no external shocks from outside the model system – such as sudden changes in the global price of oil or gas or a major shift in Central Government policy.
- 8.7** **The Accelerated Growth Scenario 2007** - this scenario incorporates assumptions that would accelerate the growth of the local economy. This assumption includes, the completion of the Metrolink expansion, the growth of Manchester Airport and an assumption that the manufacturing decline will slow alongside a positive growth in business and professional services.

Employment Changes for the Two Scenarios

- 8.8** Table 7 presents the employment sectors projected growth forecasts for the period 2008-2026 for the two scenarios.
- 8.9** In the Reference Scenario, overall there will be a slight decrease in employees over the period 2008-2026, declining from 80900 to 80500 (-0.5%). This includes a large decline in the manufacturing sector with increases in service sectors making up for some of that shortfall. All sectors that make up the wider manufacturing total are to decline, with the total dropping from 14100 to 7800 (44.7%). The sectors with the highest increase in employees are Hotels and Catering (20%) and the health sector (20.4%) with a more modest increase in Business Services (13.3%)
- 8.10** In the Accelerated Growth Scenario, overall there will be a slight increase in employees over the period 2008-2026, from 81000 to 81500 (0.6%). This also includes a large decline in the manufacturing industry with service sectors increasing. Again all sectors that make up the wider manufacturing total are to decline; with the total dropping from 14100 to 7800 (44.7%). The sectors with the highest increase are Business Services (23.8%) Hotels and Catering (22.5%) and the Health sector (20.4%)

Table 7 Projected growth/decline in employment

Sector	Reference Scenario				Accelerated Growth Scenario			
	2008	2026	Change	% Change	2008	2026	Change	% Change
Agriculture	100	0	-100	-100.0	100	0	-100	-100.0
Extraction	0	0	0	0	0	0	0	0
Manufacturing Total (GMFM)	14100	7800	-6300	-44.7	14100	7800	-6300	-44.7
Food, Drink & Tobacco	2500	1900	-600	-24.0	2500	1900	-600	-24.0
Textiles, Leather & Clothing	1000	200	-800	-80.0	1000	200	-800	-80.0
Wood & Wood Products	400	200	-200	-50.0	400	200	-200	-50.0
Pulp, Paper & Printing	1300	700	-600	-46.2	1300	700	-600	-46.2
Coke, Oil Refining & Nuclear	0	0	0	0	0	0	0	0
Pharmaceuticals and Other Chemicals	700	400	-300	-42.9	700	400	-300	-42.9
Rubber & Plastic Products	1000	800	-200	-20.0	1000	800	-200	-20.0

Sector	Reference Scenario				Accelerated Growth Scenario			
	2008	2026	Change	% Change	2008	2026	Change	% Change
Other Mineral Products/Non Metal	100	0	-100	-100.0	100	0	-100	-100.0
Metals (basic and metal)	1700	700	-1000	-58.8	1700	700	-1000	-58.8
Machinery & Equipment nec	1300	600	-700	-53.8	1300	600	-700	-53.8
Electrical and Optical equipment	1800	800	-1000	-55.6	1800	800	-1000	-55.6
Transport Equipment	900	300	-600	-66.7	900	300	-600	-66.7
Manufacturing nec	1400	1000	-400	-28.6	1400	1000	-400	-28.6
Electricity, Gas & Water	0	0	0	0	0	0	0	0
Construction	4500	4500	0	0	4500	4500	0	0
Distribution	6800	7000	200	2.9	6800	7000	200	2.9
Retail	13000	12900	-100	-0.8	13000	12900	-100	-0.8
Hotels & Catering	4000	4800	800	20.0	4000	4900	900	22.5
Transport	2400	2500	100	4.2	2400	2500	100	4.2
Communications	800	800	0	0	800	800	0	0
Finance	1500	1300	-200	-13.3	1500	1300	-200	-13.3
Business Services	8300	9400	1100	13.3	8400	10400	2000	23.8
Public Administration	3000	3300	300	10.0	3000	3300	300	10.0
Education	7500	8100	600	8.0	7500	8100	600	8.0
Health	10800	13000	2200	20.4	10800	13000	2200	20.4
Other Personal Services	4100	4900	800	19.5	4100	5000	900	22.0
Total (Totals do not add due to rounding)	80900	80500	-400	-0.5	81000	81500	500	0.6

Employment Change Charts

- 8.11** Figures 3 and 4 present the employment projections for Oldham for both scenarios. They plot the proportionate change in employment for each sector from 2008 to 2026 against the change in the number of employees. This method of displaying the data therefore highlights the sectors that have the highest increase/decrease of employees in absolute and proportionate terms.
- 8.12** In both charts the manufacturing sector takes a substantial decline in employment terms at -44.7% (-7,800 jobs) in both.
- 8.13** In both scenarios the greatest increase in employees is forecast to be in the Health sector; however in the Accelerated Growth scenario the Business Sector has the highest percentage in change of employees at 23.8%. A lot of the sectors have a very small amount or no change in the number of jobs and are therefore clustered together towards the 0 point.

Figure 3 Oldham Change in Employment Reference Forecast 2007

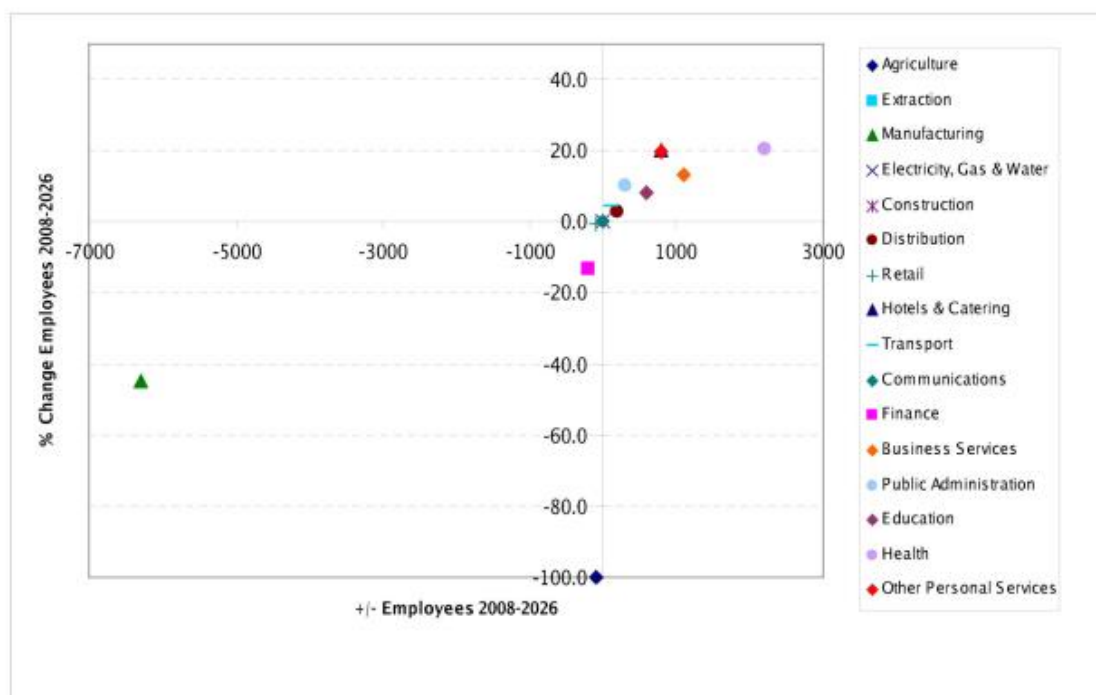
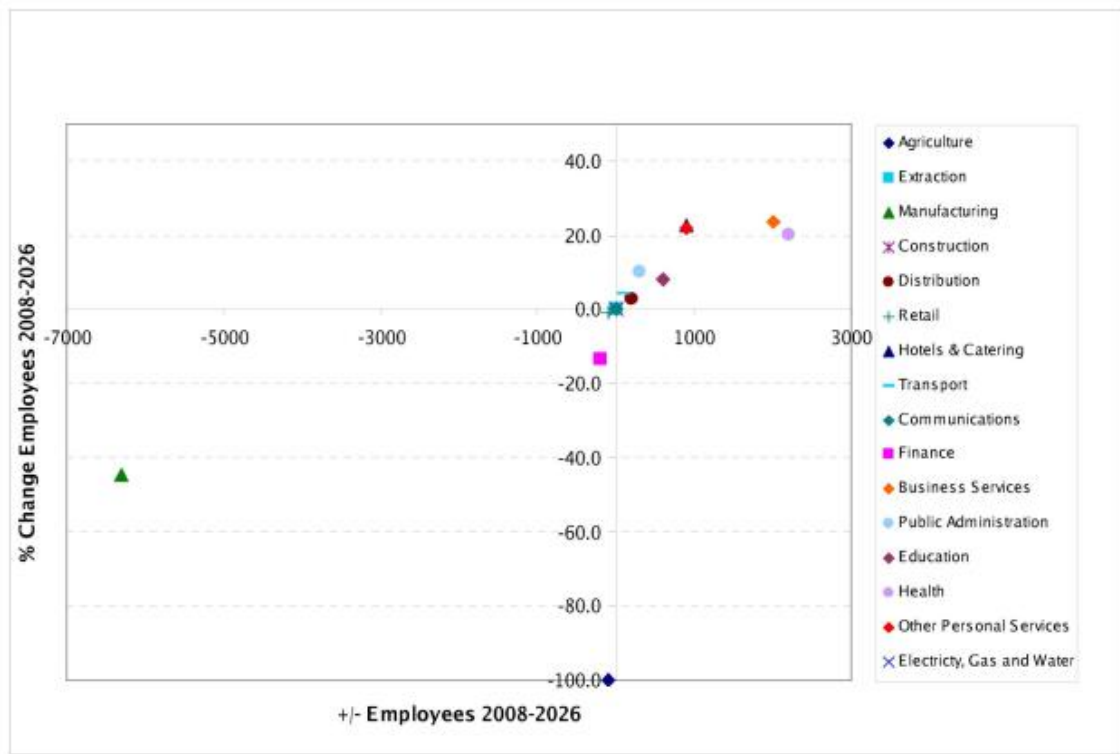
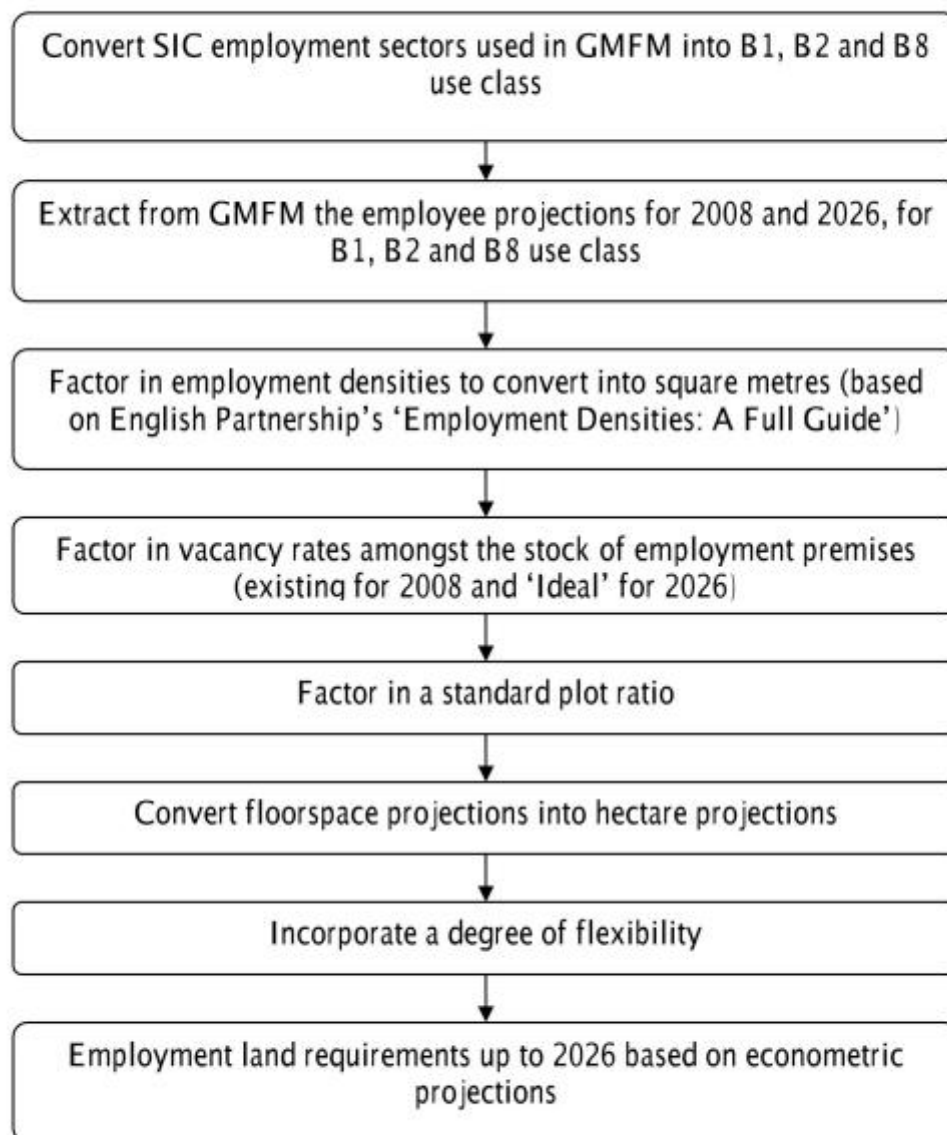


Figure 4 Oldham Change in Employment Accelerated Growth Forecast 2007



8.14 Figure 5 shows the process of translating the econometric projections into employment land requirements.

Figure 5 Methodology used in translating the econometric projections into employment land projections



Convert Standard Industrial Classification (SIC) Employment Sectors used in GMFM into B1, B2 and B8 Use Class

8.15 Under each scenario, the model produces outputs showing future growth/decline in employee numbers for various sectors contained in the Standard Industrial Classification (SIC). These projections have to be split into Office, General Industry, Warehousing (Use Classes B1, B2 and B8) and are then translated into projected floorspace requirements using standard employment densities. These projected floorspace requirements have to then be further translated into specific land requirements using standard plot ratios. It is therefore assumed in the quantitative analysis of the econometric projections, that there is a link between forecast employee levels and the subsequent floorspace requirements.

8.16 The GMFM shows employee data from 1991 and forecasts it up to 2026 using industry definitions based on the SIC2 division codes. Table 8 shows the sectors that have been used as part of this ELR.

Table 8 Greater Manchester Forecasting Model SIC Employment Sectors Used

Food, Drink and Tobacco	Textiles, Clothing and Leather
Wood and Wood Products	Pulp, Paper and Printing
Coke, Oil and Nuclear	Chemicals and Pharmaceuticals
Rubber and Plastic Products	Other Non-Metals
Metals	Machinery and Equipment
Electrical and Optical Equipment	Transport Equipment
Distribution	Other Manufacturing
Communications	Transport
Business Services	Financial Intermediation

8.17 The first part of the methodology is to convert the SIC sectors above into Office (B1a/b), General Industry (B1c/B2) and Warehousing (B8) uses in order to establish specific future employment land requirements. As mentioned above, there are other industries looked at in GMFM but they have been excluded from the conversion to employment class use on the basis that they do not constitute a 'B' use.

B1a/b Use Class (Offices, (other than a use within class A2 Financial Services) and for research and development purposes)

8.18 The Business Services and Financial Intermediation categories have been used to represent the Office (B1a/b) Use Class as this is the most commonly used method of measuring office employment. Therefore, 100% employment associated with these sectors was assumed to be on B1a/b sites.

B1c/B2 Use Class (Light Industry and General Industry - Use for the carrying on of an industrial process)

8.19 Total employment in the 13 Manufacturing sub-categories has been used as a proxy for the General Industry (B1c/B2) use class.

B8 Use Class (Use for storage or as a distribution centre)

8.20 For Warehouse (B8) it was considered that an assessment of the Distribution, Transport and Communications categories alone would overstate the percentage of employment in Warehousing employment. For example within the Distribution category, Wholesale trade is included alongside Retail trade, and Retail trade lies mostly within the 'A' use class. Therefore ABI 2006 was used to determine the total number of people employed in the Distribution, Transport and Communications categories, this data was then

further broken down to determine which of the industries within those categories would be most likely to occupy Warehousing sites. Then this was expressed as a percentage of the total number of employees under the Distribution, Transport and Communications categories to determine what percentage of projected employment within those categories would be on Warehousing sites.

8.21 The resultant sectoral split illustrated in Table 9 has been used to align employee numbers in Oldham to employment use classes.

Table 9 Employment Use Class and Sector Conversion

Use Class	GMFM Sectors	Percentage of SIC Employees in Use Class (Based on ABI 2006):
B1a/b: Office & R&D	Financial Intermediation	100%
	Business Services	100%
B1c/B2: Industrial	Food, Drink and Tobacco	100%
	Textiles, Clothing and Leather	100%
	Wood and Wood Products	100%
	Paper, Printing and Publishing	100%
	Coke, Oil and Nuclear	100%
	Chemicals and Pharmaceuticals	100%
	Rubber and Plastics	100%
	Metals	100%
	Other Non-Metals	100%
	Machinery and Equipment	100%
	Electrical and Optical Equipment	100%
	Transport Equipment	100%
	Other Manufacturing Not Elsewhere Categorised (NEC)	100%

Use Class	GMFM Sectors	Percentage of SIC Employees in Use Class (Based on ABI 2006):
B8: Warehouse	Distribution	68.9%
	Transport and Communication	59%

Employee Projections for 2008 and 2026 for B1, B2 and B8

8.22 Table 10 shows the employment forecast data according to B1, B2 and B8 Use Classes based on the breakdown of employees into each use class.

Table 10 Oldham OEF Projections by Use Class: Employment Change from 2008 to 2026

	Reference Scenario 2008	Reference Scenario 2026	Change (%)	Accelerated Growth Scenario 2008	Accelerated Growth Scenario 2026	Change (%)
Office (B1a)	9,800	10,700	900 (9%)	9,900	11,700	1,800 (19%)
General Industry (B1b/c/B2)	14,100	7,800	-6,300 (-45%)	14,100	7,800	-6,300 (-45%)
Warehouse (B8)	6,573	6,770	197 (3%)	6,573	6,770	197 (3%)
Total Employees	30,473	25,270	-5,203 (-17%)	30,573	26,270	-4303 (-14%)

8.23 Office (B1a) – Employee Projections: The employee projections for office use (B1a) are forecast to increase in both Scenarios over the period 2008 to 2026, but in the Accelerated Growth Scenario the increase is projected to be double the increase in the Reference Scenario. The difference between the two is as follows; 9 % (900 employees) in the Reference Scenario to 18% (1,800 employees) in Accelerated Growth Scenario.

8.24 General Industrial (B1b/c B2) – Employee Projections: In both scenarios the projections are the same, that the number of employees likely to be employed in B1b/c/B2 over the period 2008 to 2026 will decline by -45% (-6,300 employees).

8.25 Warehouse (B8) – Employee Projection: In both scenarios the projections are the same; that the number of employees likely to be employed in B8 industries will increase slightly by 197 jobs (3%) over the period 2008-2026.

Factor in Employment Densities

8.26 Having translated the projected number of employee numbers into appropriate use classes, the next stage is to convert these figures into floorspace requirements using employment densities. Estimates of employment densities are most commonly used as there are many factors which can influence a density ratio. The densities that have been used in this Employment Land Review have come from the English Partnership report 'Employment Densities: A Full Guide', and are as follows:

- B1 Office – 19 square metres per worker (gross internal floorspace)
- B2 General Industry – 34 square metres per worker (gross internal floorspace)
- B1 Warehouse – 50 square metres per worker (gross internal floorspace)

8.27 Gross internal floorspace is defined in the report as being the entire area inside the external walls, including corridors, lifts, plant rooms and service accommodation but excludes internal walls.

8.28 The NWDA Employment Land Study and Demand for Employment Land in Greater Manchester both used these densities and the ODPM Guidance specifically refers to using them also.

Factor in Vacancy Rates and 'Ideal' Vacancy Rates

8.29 The next step in the process of converting employee figures into floorspace requirements is to make an allowance for vacancy rates amongst the existing stock of employment premises. The DCLG's Commercial and Industrial Property Vacancy Statistics provide estimated vacancy rates for commercial and industrial premises. The latest data available is for 2004/05 and this estimates the vacancy rate for Oldham as being 9%. This proportion has been applied to the employee based floorspace figures for 2008 to present a projection of the existing situation.

8.30 In terms of the future employment land requirements an 'ideal' vacancy rate was applied to obtain the total requirements for 2026. The NWDA Employment Land Study, the Demand for Employment Land in Greater Manchester report and other authorities within the sub-region have assumed 'ideal' vacancy rates as 5% in B1 land and 10% for B2 and B8 land. The percentage is lower for B1 properties as high B1 vacancy rates are undesirable in the long term and would raise the question of whether we should be looking to provide new employment sites if there is already a high amount that is lying under-utilised.

Factor in Standard Plot Ratios

8.31 The next stage involved in the conversion of employees into floorspace requirements and ultimately land requirements is to apply a plot ratio. A standard plot ratio of 40% has been applied to the floorspace total before it has been converted into hectares. This assumes that a building occupies 40% of the total plot of employment land, with

the remainder of the site taken up with car parking, landscaping and other ancillary uses. This assumption is in line with ODPM Guidance and also accords with the plot ratios used in the NWDA Employment Land Study and other authorities within the sub-region.

- 8.32** It is recognised that employment land plot ratios will vary widely (particularly B1 uses) depending on the number of storeys and the extent of landscaping and car parking. It is also recognised that high density town centre offices can have a plot ratios of 100%, whereas business parks can be as low as 25%.

Floorspace Projections

- 8.33** Using the methodology outlined above, Table 11 summarises the employment floorspace projections from 2008 to 2026.

- 8.34** These estimates should be used as an indicative measure of floorspace and should not be used to give definitive floorspace requirements for the Borough. The floorspace data should be used to illustrate general trends in each Use Class and should therefore be treated with caution.

Table 11 Oldham MBC Employment Forecast Projections (sqm)

Oldham	Gross Internal Floor Space (sqm)		Gross Internal Floor Space (sqm)		Increase/Decrease (sqm/%)	
	2008		2026			
	Reference Scenario	Accelerated Growth Scenario	Reference Scenario	Accelerated Growth Scenario	Reference Scenario	Accelerated Growth Scenario
Office (B1a)	507,395	512,573	533,663	583,538	26,268 (5%)	70,965 (14%)
General Industry (B1b/c B2)	1,306,365	1,306,365	729,300	729,300	-577,065 (-44%)	-577,065 (-44%)
Wholesale (B8)	895,598.5	895,598.5	930,875	930,875	35,276.5 (3%)	35,276.5 (3%)

- 8.35** In summary table 11 shows the change in floorspace relating to Office (B1a), General Industry (B1b/c B2) and Wholesale (B8). In relation to Office floorspace the forecast vary from an increase of 26,268sqm (5%) under the Reference Scenario and 70,965sqm (14%) under the Accelerated Growth Scenario. The largest projected decline within Oldham is associated with Industrial floorspace which is expected to fall by -577,065sqm (44%) under both scenarios. The future projections for Wholesaling floorspace is for a moderate increase of only 3% under both scenarios with floorspace projected to increase of 35,276.5sqm.

Convert Floorspace Projections into Hectare Projections

8.36 Once the floorspace projections have been calculated they can then be translated into employment land. The employment land projections for the period 2008 to 2026 with Oldham are shown in Table 12 below.

Table 12 Oldham Employment Land Projections; in hectares from 2008 to 2026

	Reference Scenario	Accelerated Growth Scenario
B1a Office	2.63	7.10
B1b/c/B2 Industrial	-57.71	-57.71
B8 Warehousing	3.53	3.53
Total Land	-51.55	-47.08

8.37 The table above indicates that the total demand for employment land in Oldham. Under the Reference scenario this could decrease by 51.55 hectares comprising of 2.63 hectares for B1a office land use; -57.71ha for B1b/c/B2 industrial land; and 3.53 hectares for B8 warehousing.

8.38 Under the Accelerated Growth scenario the total demand for employment land in Oldham could decrease by -47.08 hectares. This is made up of 7.10 hectares increase for B1a office land use, again a decline of -57.71 hectares for B1b/cB2 industrial use and 3.53 hectares for B8 warehousing use.

Incorporate a Degree of Flexibility

8.39 A degree of flexibility is incorporated into the figures to provide investors/developers/private sector with a choice of sites in the Borough. There is no official guidance on the degree of flexibility to be used, however the NWDA Employment Land Study, the Greater Manchester Demand for Employment Land study and other authorities within the sub-region use a figure of 20%, therefore 20% is used in this study to ensure consistency with higher level policy making bodies and neighbouring authorities. A 20% flexibility factor has therefore been applied to the figures in Table 13 to derive the total employment land requirement estimates as presented in Table 13.

Table 13 Oldham Employment Land Projections; in hectares from 2008 to 2026, incorporating a flexibility factor

	Reference Scenario	Reference Scenario + 20% flexibility	Accelerated Growth Scenario	Accelerated Growth Scenario + 20% flexibility
Office (B1a)	2.63	3.15	7.10	8.52
General Industrial (B1b/c B2)	-57.71	-46.17	-57.71	-46.17
Warehousing (B8)	3.53	4.23	3.53	4.23
Total Land	-51.55	-38.79	-47.08	-33.42

- The requirement for Office (B1a) employment land could be an extra 3 - 9 hectares.
- The requirements for General Industrial (B1b/c B2) use employment land could decrease by 46 hectares.
- And in relation to Warehousing (B8) employment land, this could increase by 4.23 hectares.

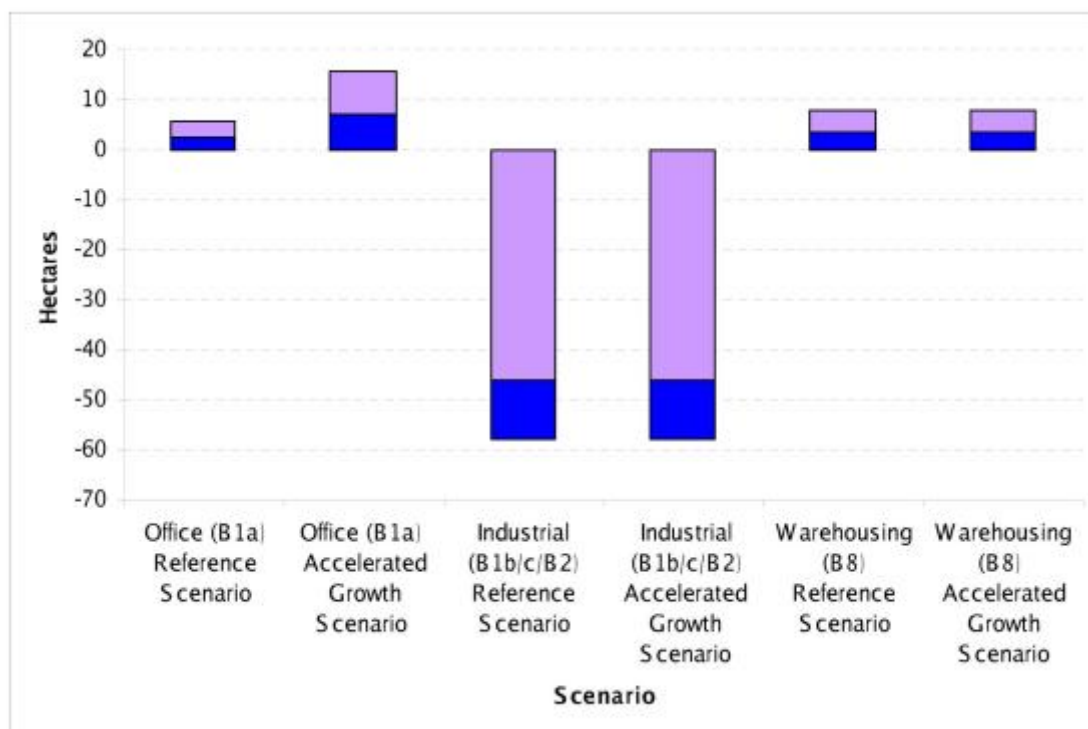
8.40 This leaves Oldham in the situation where it could need a maximum of 12.75 hectares and a minimum of 7.38 hectares additional employment land for office and warehousing use. The Borough could also be faced with the situation of 46 hectares of industrial use employment land that it does not require.

Employment Land Requirements up to 2026 based on Econometric Projections

8.41 So overall, based on this method, Oldham could reduce its amount of employment land by 33.42 - 38.79 hectares.

8.42 This section of the report has looked at the employment projections derived from the Oxford Economic Forecasts to create a model indicating potential land requirements for the period 2008-2026. This is shown in Figure 6 below. The resultant figures are net and don't take into account the amount of land lost to other uses. There will always be a need to provide new employment sites for all types of uses irrespective of the likely structural decline for particular sectors (i.e. manufacturing sectors) and therefore the negative projections for B2 employment land do not necessarily mean that there is no need for additional land to be provided, it means that the net difference between B2 land developments coming forward and B2 land lost to other uses is likely to be negative.

Figure 6 Summary: Oldham Employment Land Projected Requirements 2008-2026

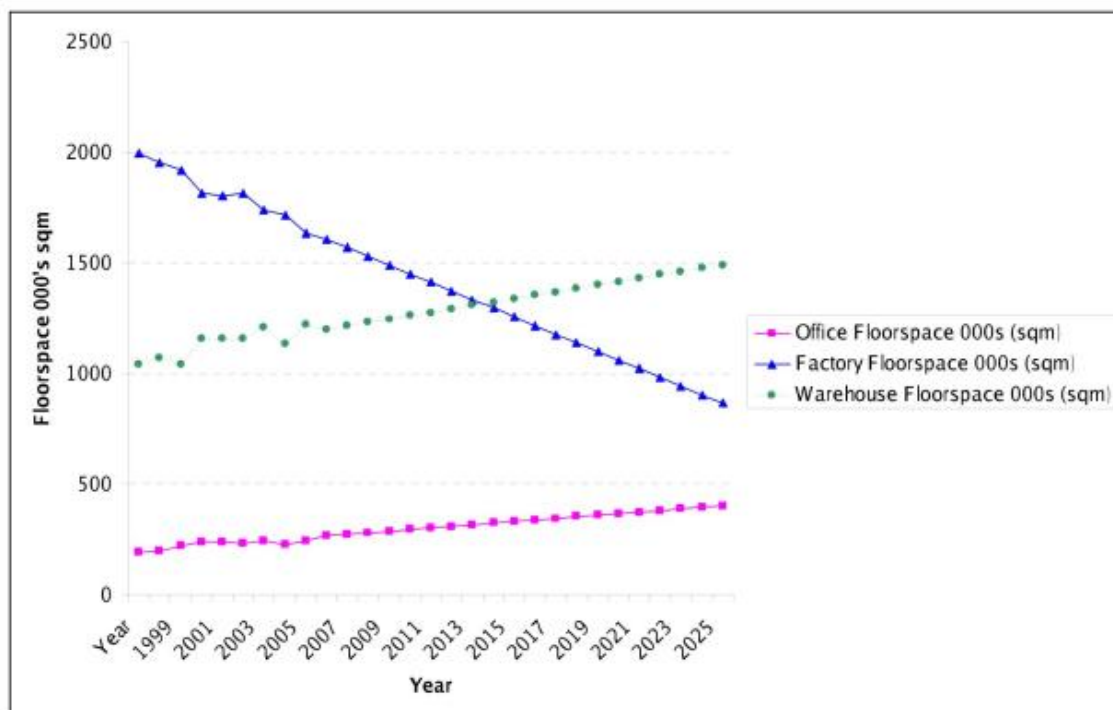


Method Two: Commercial and Industrial Floorspace and Rateable Value Calculations

8.43 The total amount of B1, B2 and B8 employment floorspace for Oldham for the years 1998 to 2007 was obtained from the Office of National Statistics (ONS) Commercial and Industrial Floorspace and Rateable Statistics from 1998 to 2007, (2008 figures were not available at the time of writing this report). The past rates were projected forward on a linear pro-rata basis.

8.44 Floorspace figures from the Valuation Office Agency have been projected forward at the average yearly increase/decrease to 2026 to provide estimates on the floorspace projections for Office (B1), General Industry (B2) and Warehousing (B8) type land uses. This is shown on the graph below. The data has had to be converted for office and warehousing data, from net internal floorspace to gross internal floorspace, as recommended in the English Partnership Guidance 'Employment Densities: A Full Guide'.

Figure 7 Projected Growth in Office, Factory and Warehouse Floorspace in Oldham (ONS Floorspace Trend Data)



8.45 Figure 7 above shows that there will be an increase in office floorspace (B1) and that it will double over the period 2008-2026. It also shows that there will be a decline in factory floorspace over the period 2008-2026 to below 100,000sqm. There will be a moderate increase in warehouse floorspace over the period 2008-2026, rising to almost 1,500,000sqm in 2026. Table 14 shows the figures used in graph 3.

Table 14 Employment Floorspace Growth (ONS Floorspace Trend Data)

	2007	2026	+/- Change (%)
B1 (floorspace sqm)	265,200	402,00	136,800 (52%)
B2 (floorspace sqm)	1,606,000	865,000	-741,000 (46%)
B8 ((floorspace sqm)	1,199,000	1,491,000	292,000 (24%)
Total	3,070,200	2,396,200	-312,200 (-10%)

8.46 From the estimated trends in B1, B2 and B8, Table 14 illustrates that:

- B1 office floorspace is estimated to increase by 136,800 square metres from 2007 to 2026, which is an increase of 52%.

- B2 factory floorspace is estimated to decrease by 741,000 square metres from 2007 to 2026 which is a decrease of 46%.
- B8 warehouse floorspace is estimated to increase by 292,000 square metres which is an increase of 24%.

Floorspace Growth Translated into Employment Land Projections

8.47 The floorspace results were translated into employment land projections by applying a standard plot ratio of 40%. The Valuation Office Agency applies vacancy rates to the floorspace figures by incorporating vacant land statistics when compiling the floorspace results (The DCLG's Commercial and Industrial Property Vacancy Statistics provide estimated vacancy rates for commercial and industrial premises).

8.48 The employment land projections for B1 (Office), B2 (Factory), and B8 (Warehouse) are presented in Table 15.

Table 15 Employment Land Projections based on ONS Floorspace Trend Data

	2007	2026	+/- Change	% Change	Incorporating 20% Degree of Flexibility
B1 (Hectares)	66.3	100.5	34.2	51.5%	41
B2 (Hectares)	401.5	216.2	-185.3	-46%	-148.2
B8 (Hectares)	299.7	372.7	73	24%	87.6
Total	767.5	689.4	-78.1	-10%	-61.38

8.49 Table 15 shows that the projected forward employment land requirements for Oldham using the ONS Floorspace Trend Data is as follows:

- For B1 office: An increase of 34.2 hectares

(41 hectares incorporating a 20% degree of flexibility)
- For B2 manufacturing: A decrease of -185.3 hectares

(-148.2 hectares incorporating a 20% degree of flexibility)
- For B8 warehousing: An increase of 73 hectares

(87.6 hectares incorporating a 20% degree of flexibility)

8.50 So in total, based on this method, Oldham could reduce its amount of employment land by 61.38 - 78.1 hectares.

Method Three: Historic Take Up Rates for Employment Land

- 8.51** This section discusses the projected demand for employment land based on the historic take up of sites (the total amount of planning permissions completed for business uses from 1984 - 2007). It is important to note that historic take up rates represent a gross figure, as the Council does not monitor losses of employment land to other uses. Although there are known instances where there have been a number of industrial sites lost to other uses including, residential such as Gem Mill in Chadderton or retail such as Dawn Mill in Shaw. So any figures produced from this method will be overinflated due to monitoring methods not yet taking account of losses of employment land.
- 8.52** Data has been collated at different times of the year throughout the 20 years period. From 1984 to 1998 the data was collated as per calendar year, then from 1999-2002 there was one data collection for the whole 4 years, for 2003-2004 there was a collection period of 15 months, from January 2003 to March 2004 in order to bring the data collection in line with the financial year, and from 2004 onwards the data has been collected in financial years.
- 8.53** Three time periods have been looked at and averages derived for each one. These are:
- 1984-2007 – This is the whole period for which data is available.
 - 1999-2007 - This is the period from when the data collection methods became more refined.
 - 2003-2007- This is the start of the plan period for the Regional Spatial Strategy
- 8.54** Table 16 shows that the average annual take up rate for employment land (B1, B2 and B8) for each of the time periods mentioned above.

Table 16 Employment Land Take Up 1984-2007

Year	Completed Employment Land Take Up (Hectares)	Year	Completed Employment Land Take Up (Hectares)
1984	5.1	1994	8.8
1985	3.1	1995	5.5
1986	3.7	1996	5.3
1987	11.0	1997	16.9
1988	7.5	1998	8.0
1989	26.0	1999-2002	28.2
1990	20.0	2003-2004	8.0
1991	4.9	2004-2005	12.3
1992	7.1	2005-2006	7.1
1993	1.3	2006-2007	7.9
Total			197.5
Average completed take up of employment land 1984-2007			8.6
Average completed take up of employment land 1999-2007			7.9
Average completed take up of employment land 2003-2007			8.8

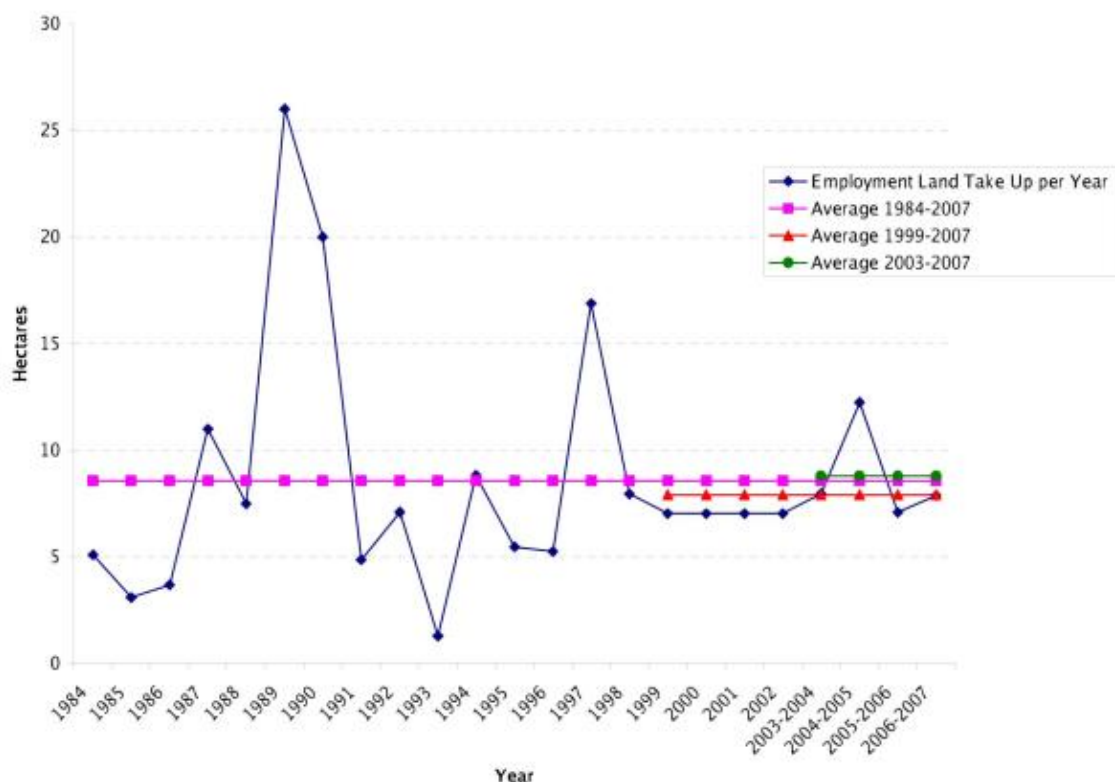
8.55 Oldham will need between 150 - 167 hectares of additional employment land for the period 2008 to 2026 based on historic take up rates. The average take up rate of the three time periods is 8.4 hectares per year which gives an average projected employment land for 2008-2026 of 160.1 hectares. See Table 17.

Table 17 Average and Projected Employment Land 2008-2026

Years	Average (Hectares)	Projected Employment Land 2008-2026 needed (Hectares)
1984-2007	8.6	163.0
1999-2007	7.9	150.1
2003-2007	8.8	167.3
Average of 3 data sets	8.4	160.1

8.56 Figure 8 shows the annual take up figures for each year with the three averages.

Figure 8 Oldham annual take up figures for each year with the three averages.



8.57 Within this section of the report three methodologies have been looked at, this has ensured that a broad analysis of the likely employment land requirements within the Borough has been explored.

8.58 Table 18 presents the results from all the data sets looked at in this Quantitative Employment Land Demand Analysis section.

Table 18 Summary of results from all datasets

	GMFM Reference Scenario with + degree of flexibility	GMFM Accelerated Growth Scenario + degree of flexibility	Commercial and Industrial Floorspace and Rateable Statistics + degree of flexibility	Historic Take Up Rates (Average of 3 datasets)
Amount of Hectares required 2008-2026	-38.79	-33.42	-61.38	160.1

8.59 From the different methods looked at in this stage, Oldham will be faced with two extremes; a decline in B-Class Employment Land of -61 hectares or an increase in B-Class Employment Land of up to 160 hectares between 2008 and 2026.

Preferred Method of Calculating Future Employment Land Requirements

- 8.60** This ELR has looked at a number of different methods to provide a range of employment projections for Oldham for 2008 to 2026. All of the projections are indicators of what may happen in the future and should not be taken as absolute. Comparisons between the various methods are difficult due to the different assumptions used.
- 8.61** The Commercial and Industrial Floorspace based projections from the Valuation Office Agency (VOA) cannot be broken down definitively into Use Class Order categories and are broken down more broadly, with B1 as 'offices', B2 'factories', and B8 as 'warehouses'. Therefore, they should only be compared with caution to the other projections.
- 8.62** The method of providing new employment land based on the historic take up rates is no longer viewed as appropriate for estimating future employment land requirements as it simply 'predicts and provides' not taking into account any market trends or shifting economy sectors. It also only provides a gross figure as the Council have not monitored losses of employment land to other uses in the past, although we know there have been a number of industrial sites lost to uses including, residential such as Gem Mill in Chadderton or retail such as Dawn Mill in Shaw. So any figures produced from this method will be overinflated due to this.
- 8.63** The Reference and Accelerated Growth scenarios from the GMFM model both show the same trend, growth in demand for B1 and B8 land and a large decline in demand for B2 industrial land. However, it is difficult to compare these net figures with the gross figures from the Historic Take up Rate trends. The GMFM figures show the difference between employment land that is lost and gained and the Historic Take up Rate trends indicate additional land to be allocated.
- 8.64** A method has been used by 4NW to derive employment land projections for the North West Regional Spatial Strategy. They adjusted past employment land rates for each of the sub-regions in the North West on the basis of modelled GVA growth. Such a method allowed a gross employment land projection to be derived while also allowing policy aspirations to be incorporated by moderating past take up rates on the basis of independently modelled growth projections.
- 8.65** This method has also been used by other authorities within the sub-region. For consistency, Oldham has moderated past employment land take up rates on the basis of factoring in the proportional change in B-use employment generated through the GMFM. This can be seen in Table 19.

Table 19 Adjusted Projected Take up Rates

Reference Scenario				Accelerated Growth Scenario	
Average Annual Take-up Rate (Ha) (from Table 17)	Projected Total Requirement (from Table 17)	% Employee Growth/Decline 2008 -2026 (from Table 10)	Projected total Requirement 2008-2026 (Hectares)	% Employee Growth/Decline 2008 -2026 (from Table 10)	Projected total Requirement 2008-2026 (Hectares)
8.4*	160.1*	-17%	132.8	-14%	137.6

* In this report we looked at three sets of historic take-up rates so the average Historic Take up Rate has been determined and the average projected employment land for 2008-2026 has also been determined.

8.66 Table 19 highlights that a range of up to **132.8 - 137.6 hectares of employment land should be provided across the Borough to cover the period up to 2026**. Both the Reference and Accelerated Growth scenario predict a decline in the overall B-use employment due to the substantial decline in manufacturing employees.

8.67 This report has assessed the suitability of the existing supply of employment sites within the Borough and has projected demand for future employment land. The supply assessment consisted of consultants Donaldsons assessing the current available employment allocations (as at January 2007), and the Council assessing the suitability of the Primary Employment Zones within the Borough. The demand assessment included a review of historic take up rates and projected employment trends by using the GMFM employee projections. The current position of employment land in the Borough, taking into account what has now been developed and the Donaldsons recommendations, is shown below in Table 20.

Table 20 Current position of Business and Industry and Mixed Use allocations

	Hectares
Available employment land (over 0.4 hectares)	84.93
Developed or under construction	32.09
Unavailable for development	5.42
Residual employment land	47.42
Assessed and recommended for de-allocation	6.67
Assessed and recommended for continuation as employment land	34.5*
No recommendation	6.25
Total available remaining land considered suitable for continued employment use	40.75

* Excludes 3.1 hectares which is a waste allocation

8.68 As Table 20 shows of the Boroughs 84.93 hectares allocated in the UDP, 32.09 hectares of this has been developed or is under construction. Donaldsons assessment of Oldham's current portfolio of sites they found three sites unavailable for development in whole or in part, totalling 5.42 hectares, and also considered that six sites had no prospect of being developed and their allocations be reconsidered totalling 6.67ha. On this basis that would leave the total land available for Business and Industry and Mixed Use at 40.75 hectares.

8.69 The projected land requirements generated from the forecasts indicate that Oldham will need up to 132.8 - 137.6 hectares of employment land dependent on the scenario. This leaves Oldham, depending on the scenario, with **a shortfall of up to 92.05 - 96.85 hectares of additional employment land to be identified in the LDF for the plan period**. It is important to note that this figure is known to be overinflated, due to the fact that the historic take up rates are gross figures rather the net figures.