



LOCAL ECONOMIC ASSESSMENT

LONDON BOROUGH OF REDBRIDGE 2016



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1 Introduction

1.1 Purpose

This Local Economic Assessment ('LEA') has been prepared to meet the Council's duty under statute. Its purpose is to provide a solid base of evidence and analysis about economic conditions in Redbridge to help the Council and its partners better target their work to promote economic growth and prosperity. This LEA provides an update on the different aspects of Redbridge's economy from the previous document published in 2011.

1.2 Legislative Background

Previously, local authorities were required to produce a LEA document which needed to adhere to principles set out in the now-rescinded *Local Democracy, Economic Development and Construction Act 2009*. Today, although the requirement for Local Authorities (LA) to produce a LEA remains, in September 2010 the Department for Communities and Local Government published a letter clarifying that LEAs were no longer required to be formed in accordance with statutory guidance. Instead, LAs are allowed to determine for themselves the breadth and scope of their assessments based on their local needs.

1.3 Objectives of the LEA

The main objectives for LEAs are that they should:

Provide a sound assessment of economic conditions in the area and how they affect residents and businesses.

Identify the comparative strengths and weaknesses of the local economy and the nature and form of local economic challenges and opportunities.

Identify the local economic geography, including the economic linkages between the area being assessed and the wider economy.

Identify the local constraints to economic growth and employment and the risks to delivering sustainable economic growth.

In preparing its assessment, Redbridge will have regard to the Corporate Strategy. The next few years present a major challenge for Redbridge. Population projections suggest there will be an increase of over 25,000 people by 2018 and the Council will need to save £70m due to the increased pressures on current services and reductions in central government funding. The Corporate Strategy co-ordinates all Council activity; explaining the work the Council plans to do and how it is going to be delivered. Externally the Corporate Strategy will provide a shared vision for the borough, identify corporate priorities for the coming years and describe how the Council and its partners will face challenges, minimise risk and improve outcomes for people in the borough where possible. Internally it provides a clear vision for employees to work to; ensures that all strategies and plans are working towards the same goal; represents political priorities across the work we do; and provides employees with an understanding of how they contribute to the vision of the Council.

The strategy identifies four overarching corporate priorities, to which all work will be aligned, and details how the Council will deliver on these priorities. The sections included below highlight any links to employment and skills and sustainable economic growth.

1. *Increase fairness and respond to the aspirations of the borough*

As the Council is no longer able to deliver the same range of services to all our residents as was possible before reductions in central government funding, services must be targeted where possible, as early as possible. Services will be designed with residents and partners to encourage all to achieve their full potential.

Key priority projects include providing Council support to local services and initiatives which address the pressures of the cost of living, such as credit unions and other sources of support for managing money responsibly, and improving external support for businesses of all sizes by working with partners to safeguard employment space at a range of rent levels, facilitate access to superfast broadband and ensure routes to workforce, training, skills and labour.

2. *Improve the quality of life and civic pride amongst our communities*

The Council needs to focus its work to ensure Redbridge continues to be a place of choice to live and work because of the good quality of life it provides.

One of the key ways in which this will be achieved is using the Council's role in the regional economy to stimulate investment and regeneration and help to sustain growth by investing in local businesses and encouraging residents to shop locally.

3. *Transform our Council in tough times to be dynamic and responsive to the challenges of the future*

With the Council facing such unprecedented pressures it is acknowledged that there needs to be large scale change. It is necessary to be proactive to tackle the challenges and innovate in finding solutions.

4. *Empower our community to help shape our borough and the services we deliver*

The next few years are going to be difficult, as the Council faces tough decisions to prioritise what it does. These decisions cannot be made in isolation from the local community; there is a real need for meaningful engagement around which services the Council provides and how those services are to be delivered.

In preparing their LEAs London boroughs should take account of the London Plan and the Mayor of London's strategies for economic development and transport. In this context, the Mayor of London's Economic Development Strategy 2010 ('EDS') is the key document which provides part of the basis for spatial policies in the draft replacement London Plan. Its five objectives are to:

- To promote London as a city that excels as a world capital of business;
- To ensure that London has the most competitive business environment in the world;
- To drive London's transition to a low carbon economy and maximize the economic opportunities that this creates; and
- To give all Londoners the opportunity to take part in London's economic success, access sustainable employment and progress in their careers.

The EDS is referred to further in the next chapter and information is drawn from it about how Redbridge fits within the wider London economy. The Mayor's Transport Strategy published in 2010 is also referenced.

1.4 Core Evidence Base

While the Government has not prescribed any particular approach for undertaking an LEA, the guidance indicates that local authorities in a region should take a "*broadly consistent*" approach. A "*structured regional dialogue*" is recommended in which partners should agree a common basis of core data to be collected and analysed.

To this end the Greater London Authority, London Development Agency, the London boroughs, sub-regional partnerships and London Councils have signed a Memorandum of Understanding setting out their respective responsibilities and identifying a minimum core data set which will be used for all LEAs in London (see Appendix 1). In addition, this LEA draws upon other types of data relevant to Redbridge including the 'Redbridge Economic Strategy Development – Baseline' (March 2016).

1.5 Monitoring

Monitoring of the key economic issues identified in this LEA will be carried out as part of the Redbridge LDF Annual Monitoring Report which the Council publishes annually. This will keep the relevance of the LEA under review and recommend any future revision as necessary.

2 Setting the Scene

2.1 The Redbridge Economy in Perspective

Most definitions of “the economy” refer to the way goods and services are produced, distributed and consumed in a given area, but Redbridge is a political entity, not an economic one. Modern economies are not delineated by political boundaries and economists often refer to “*functional economic market areas*” which do not necessarily adhere to administrative boundaries, especially in major conurbations. Instead, these areas correspond to sub-regions or city-regions and are typically identified by travel to work patterns or housing markets¹.

In order to explain economic conditions in Redbridge it is necessary to look beyond the borough boundaries. We must understand the role played by Redbridge in the wider pattern of production and consumption across London and the global economic pressures on London itself.

2.2 A Globalised City

Redbridge is a London borough and for centuries, London’s economy has relied on its global linkages— first as a centre of mercantile trade, then as a hub of industrial activity and manufactured exports. As traditional manufacturing moved out of the capital (and often out of the UK), London has been transformed into a world leading centre for the less tangible exports of financial and business services and tourism². This trend is often linked with the growth of the so-called “*knowledge economy*” and is expected to continue (see Figure 1).

In 1971 there were over 1 million manufacturing jobs in London, accounting for nearly one quarter of all jobs. Today manufacturing accounts for about 134,000 jobs (less than 2% of total jobs)³ and this is expected to decline to just 90,000 by 2031⁴.

Meanwhile, jobs in financial and business services are expected to grow from 1.56 million in 2007 to 1.98 million in 2031 (about 38% of all net new jobs in growing sectors projected between now and 2031). This is projected to be followed by 360,000 new jobs in leisure and personal services and another 235,000 new jobs in hotels and restaurants. There will be smaller contributions from the education and health sectors (54,000 jobs) and retailing (36,000 jobs)⁵.

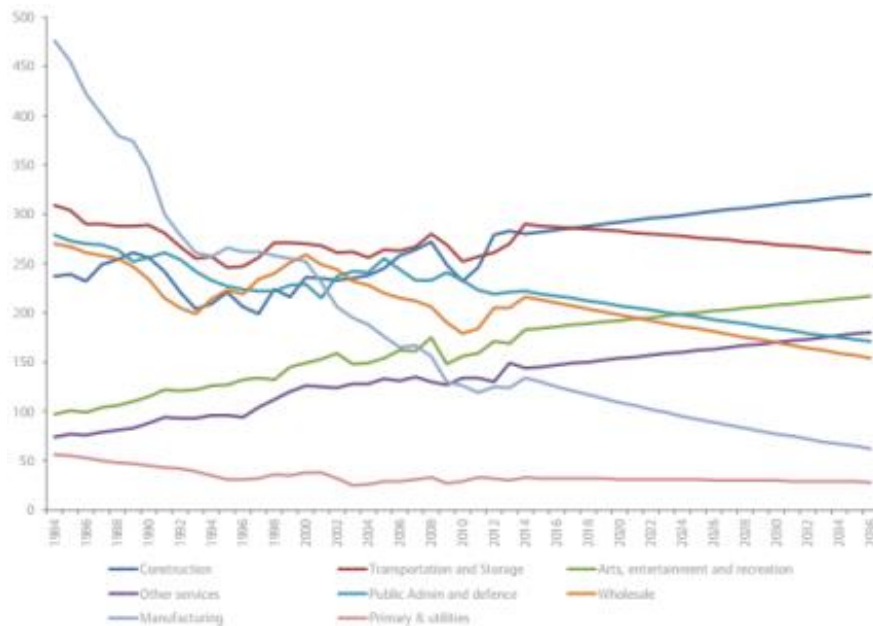
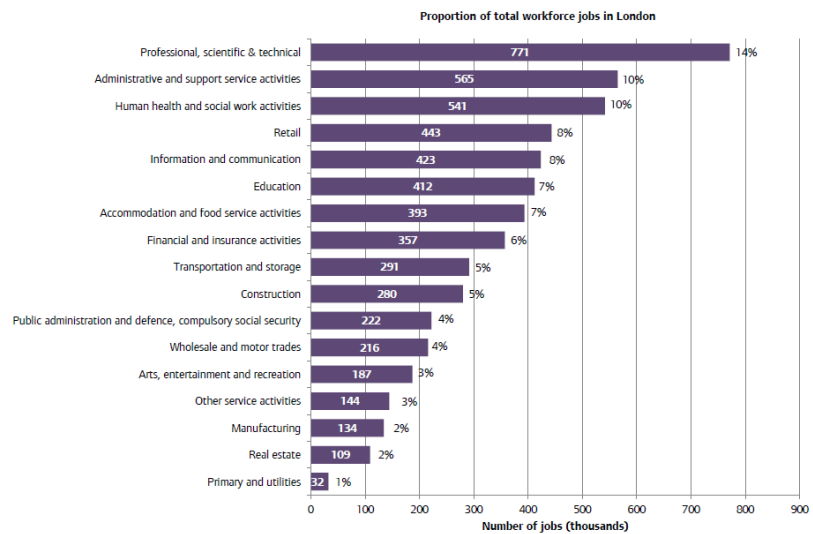
¹ Functional Economic Market Areas: An economic note. CLG, February 2010. Section 4.

² Tourism is considered as an export industry in that it generates foreign income from international visitors.

³ GLA Draft Economic Evidence Base 2016

⁴ Mayor’s Economic Development Strategy for London. GLA. March 2015.

⁵ Ibid.

Figure 1: Historic and projected employment (000s) in London’s smaller sectors, 1984 to 2036⁶

Figure 2: Jobs in London in 2014 by sector and proportion of London total⁷

⁶ Source: GLA Economics

⁷ Source: GLA 'Draft Economic Evidence Base 2016'

London's contemporary economic success relies on its historic connections with the world, good transport and communications infrastructure, strong legal and regulatory institutions and its ability to attract skilled knowledge workers. New York and Tokyo are its only serious competitors for the position of world leading financial centre, but that could change because the world economic balance of power is shifting rapidly.

Between 2009 and 2050 the GDP of the G20⁸ nations is expected to grow at an annual rate of 3.5 percent from US\$38.3 trillion to US\$160 trillion in real dollar terms. Over 60% of this expansion is expected to come from Brazil, Russia, India, China, Indonesia and Mexico⁹.

By that time China, India and the United States will have a total GDP 70% greater than all the other G20 nations combined¹⁰. Europe's total share of G20 GDP will shrink from 24% in 2009 to 10% in 2050. The UK's share will fall from 6% to 3% (see Table 1 below). Traditional Western powers like the UK will remain the wealthiest nations in terms of per capita income, but will be overtaken by poorer countries as the pre-eminent world economies.

In these circumstances, London is likely to become just one of many major international financial centres and will be in danger of being overtaken by cities like Shanghai and Mumbai which are located at the focus of growth in eastern and southern Asia. Competition will be intense as the new international centres move up the technological ladder and London seeks to keep one step ahead.

Table 1 - GDP Projections for the G20 Countries¹¹

Average Annual GDP Growth Percent change (y/y)	Average Annual GDP Growth			Real GDP 2005 US\$		
	Pre-Crisis Trend (1997–2007)	Crisis Years (2007–2009)	Projections (2009–2050)	2009	2030	2050
Argentina	2.6	2.0	4.1	223	527	1267
Australia	3.6	1.5	2.9	787	1501	2257
Brazil	2.8	2.2	4.1	1011	2440	6020
Canada	3.3	-1.0	2.6	1171	2083	3154
China	9.6	8.8	5.6	3335	21479	46265
France	2.4	-1.0	2.1	2203	3323	4528
Germany	1.6	-2.1	1.4	2833	3593	4535
India	7.0	6.3	5.9	1065	5328	15384
Indonesia	2.7	5.0	4.8	354	1073	2975
Italy	1.5	-3.1	1.3	1732	2197	2580
Japan	1.1	-3.1	1.1	4467	5786	6216
Korea	4.3	0.6	2.5	945	2122	2812
Mexico	3.3	-3.1	4.3	866	2397	5709
Russia	5.7	-1.2	3.3	869	2487	4297
Saudi Arabia	3.2	1.7	4.8	348	896	2419
South Africa	3.7	0.4	4.3	271	791	1919
Turkey	4.0	-2.9	4.4	509	1437	3536
United Kingdom	2.9	-1.9	2.1	2320	3597	4997
United States	3.0	-1.2	2.7	12949	22258	38646

The UK economy has improved its performance across the board in recent years, but is not as competitive as some of its peers. The World Economic Forum ranks it 10th position, a slip of one place from 2014-15¹².

⁸ The Group of Twenty (G-20) Finance Ministers and Central Bank Governors was established in 1999 to bring together the major industrialized and developing economies to discuss key issues in the global economy.

⁹ The World Order in 2050. Carnegie Institute. February 2010, page 8.

¹⁰ Ibid. Page 9

¹¹ Source: The World Order in 2050. Carnegie Institute, February 2010. Page 8

¹² World Economic Forum. Global Competitiveness Report 2015-2016. Country Rankings

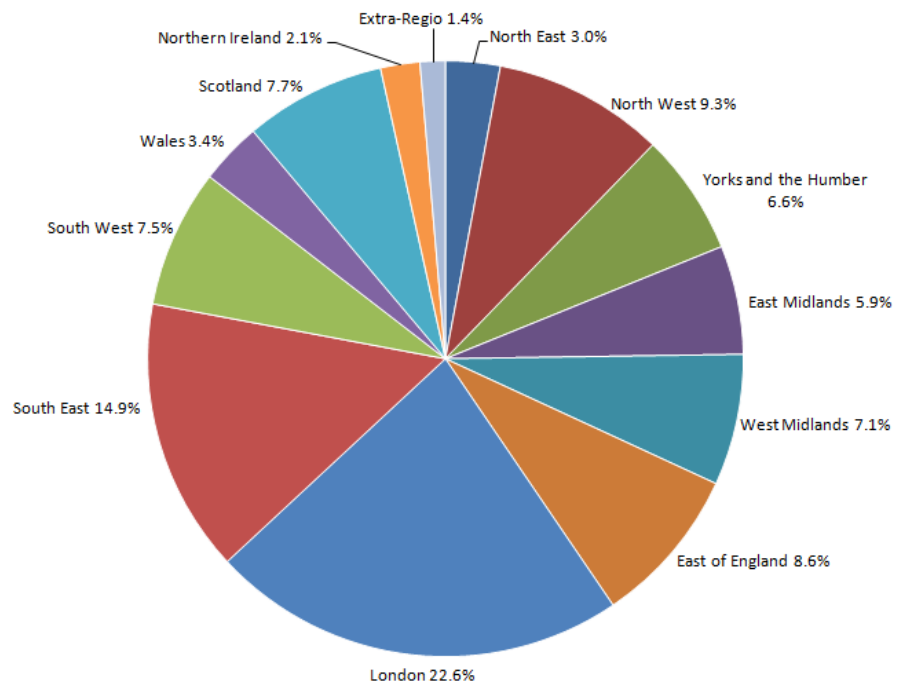
Projections prepared by independent forecasters who monitor the London economy show London experiencing a cyclical recovery following the recent recession, followed by longer-term positive job growth thereafter. Only 13.2% of the UK population lives in London, however the Capital accounts for 22.6% of Gross Value Added¹³.

Some of the biggest factors involved in the UK's recent loss of competitiveness are also centred on London. In 2014-2015 the World Economic Forum rated the soundness of the UK's banks as having climbed to 89th place among 144 countries surveyed. UK banks were in 44th spot just the previous year.

2.3 Regional Economic Structure

The Greater South East regions (comprised of London, the East and South East regions) are responsible for 46.1% percent of GVA, 46 percent of the UK's VAT registered businesses and 54 percent of all private research and development investment and 70% of all venture capital investment¹⁴. The "mega city" region centred on London contains 24 million people and commuters from outside the Capital fill almost one in five of the city's jobs¹⁵. Essex and Kent to the east of London tend to have the smallest local employment bases and the strongest flows of commuters into London. Figure 1b below shows the breakdown of the regional share of total UK GVA in 2014.

Figure 3: Regional share of UK GVA, 2014



¹³ Regional Gross Value Added (Income Approach), Statistical Bulletin, ONS, 9 December 2015

¹⁴ Ibid. Para 5.24.

¹⁵ Mayor's Transport Strategy.GLA, May 2010. Pages 43 and 44

Local Economic Assessment – London Borough of Redbridge

As an outer east London borough Redbridge is connected via the M11 to the economic corridor stretching north to Stansted airport, Cambridge and beyond, and via road and main line rail to Chelmsford and other large centres in southern Essex and along the northern coast of the Thames Estuary.

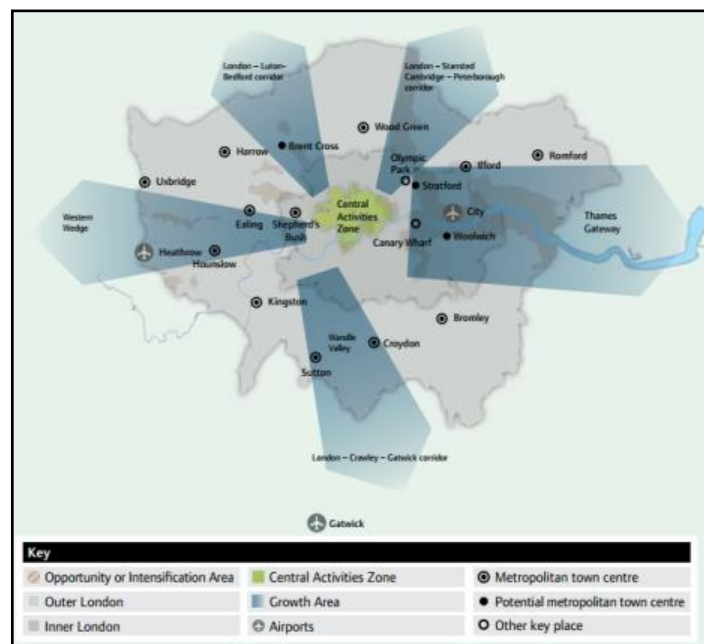
Major investment is taking place in two housing growth corridors which impact directly or indirectly on Redbridge:

The Thames Gateway Growth Corridor; and
The London-Stansted-Cambridge-Peterborough Corridor.

Like its transport system, London's economy is radially structured. Central London is the economic heart with the best transport accessibility and hosts the headquarters of numerous multinational firms. It is home to one third of all jobs in the capital and has the highest levels of productivity in the country. Office floorspace is projected to increase significantly in the long-term¹⁶.

Outside the central area, London's economy is based around its 13 Metropolitan Centres (Redbridge is represented by Ilford) and other major nodes of employment such as Heathrow. Lower level Major, District and Local Centres complete the hierarchy.

Figure 4: Places which are Dominant in the London Economy¹⁷



¹⁶ Ibid. Para 5.17

¹⁷ Source: Mayor's Transport Strategy. GLA May 2010 .

2.4 Outer London Issues

Despite the economic dominance of central London, the 19 boroughs making up outer London still account for 42% of the city's jobs and 36% of its economic output, but jobs growth has been far slower and large numbers of workers commute to jobs in central London. Part of the reason for this is that outer London was disproportionately hit by the steep fall in manufacturing employment, but has been a less attractive focus for investment in financial and professional services. There has been a decreasing requirement for office floorspace in outer London¹⁸ with a significant volume of existing floorspace being changed to residential uses.

Recent employment projections suggest a turn-around with an 11% increase in outer London jobs over the next 20 years, with 71% of these being office based¹⁹. The 2009 London Office Policy Review projected office based employment and floorspace demand growth from 2011 to 2031 as shown below (table 2):

Table 2 - Office Employment and Floorspace Projections²⁰

Location	Office based employment growth		Net demand for office floorspace (million m2)
	Total	% of total growth	
Outer London	59,000	20	0.71
Inner London	67,000	22	0.80
Central Activity Zone and North of the Isle of Dogs	177,000	58	2.12
London Total	303,000	100	3.6

There is also projected to be a need for between 450,000 square metres and 700,000 square metres of additional comparison retail floorspace in outer London and between 50,000 square metres and 150,000 square metres of convenience retail floorspace²¹. Industrial employment is expected to continue its historic decline. As discussed in Chapter 4, the new development will not be spread evenly, but is likely to cluster in a handful of large outer London town centres such as Stratford.

2.5 Redbridge in its London Context

Sub-regional Linkages

Redbridge is an outer London borough forming part of the East London Sub-Region as defined in the London Plan²². This also includes the boroughs of Waltham Forest, Hackney, Havering, Barking and Dagenham, Newham, Lewisham, Greenwich, Tower Hamlets and Bexley as shown in Figure 3 below.

¹⁸ Outer London: Issues for the London Plan. GLA May 2007.

¹⁹ Ibid. Paras 1.20 and 1.21

²⁰ Source: The London Plan. Mayor of London, March 2015 Page 155.

²¹ Outer London: Issues for the London Plan. GLA . May 2007.

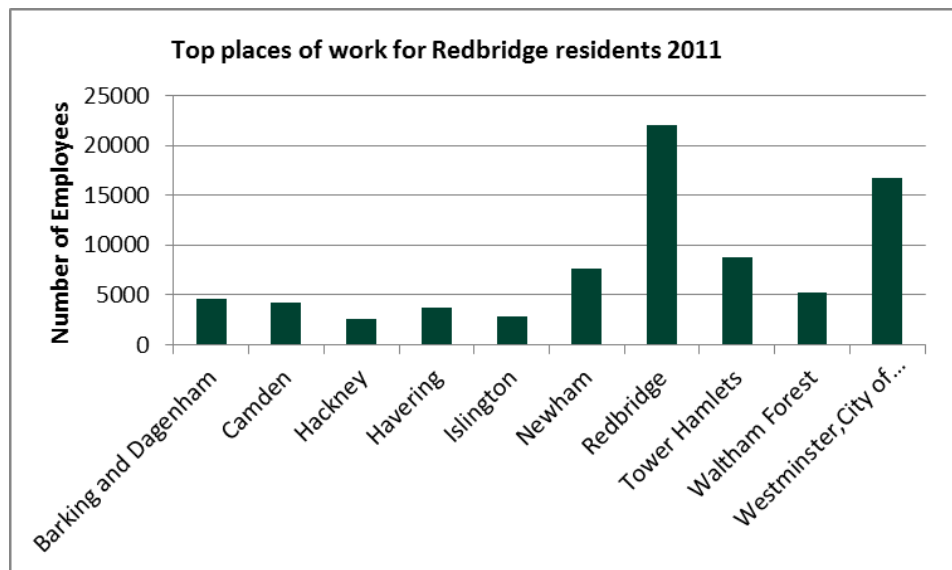
²² Note.: The London Plan. GLA, March 2015.

Figure 5: London sub-regions



Figure 6 shows the top 10 places of work for employed Redbridge residents at the time of the 2011 census. Along with Redbridge itself, these destinations accounted for 78.8% of all Redbridge employees (99,641) in 2011. It is evident from the table that boroughs towards central London were more important sources of jobs than immediate neighbours.

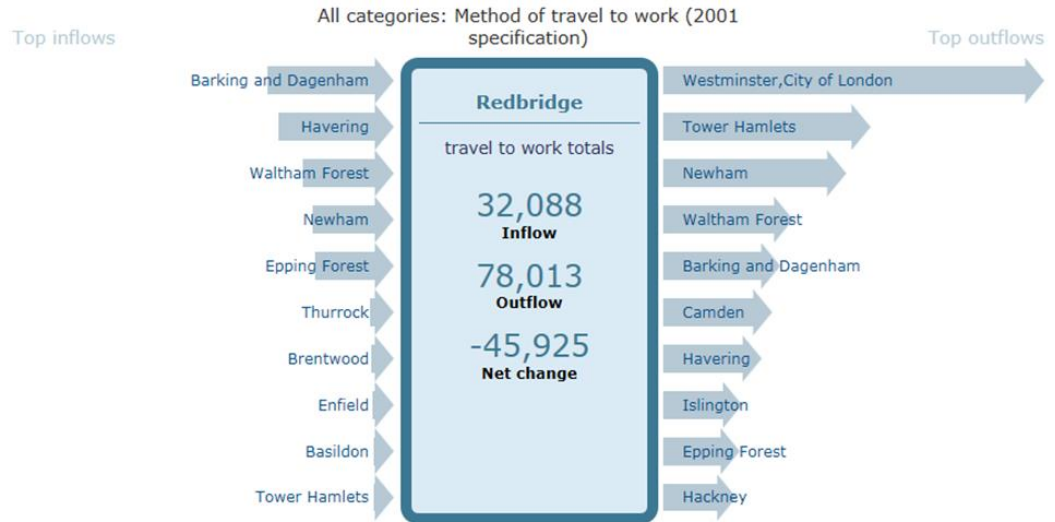
Figure 6: Location of employment of Redbridge residents²³



Workplace destinations for other outer London locations display similar patterns to those seen in Redbridge (see Figure 5 below). This shows how the sub-regional economy is dominated by radial flows of labour between the outer boroughs and central London, facilitated by good mainline rail, underground and road links. The transport network closely mirrors the economic linkages. Via these links, Redbridge and its neighbouring boroughs provide an important supply of labour to central London.

²³ Source: ONS 2011 Census (via NOMIS)

Figure 7: Commuting Patterns in and out of Redbridge



Travel to Work Patterns

The distance and travel to work patterns of Redbridge residents provide an interesting insight into how far people are willing to travel to get to work. Just over 22,000 residents living in Redbridge choose to work in the borough, however the majority of residents work outside the borough, notably in Westminster, City of London.

Table 3 - The top ten places of work of Redbridge citizens²⁴:

Place of Work	Number of Redbridge residents working in location
Redbridge	22,053
Westminster, City of London	16,760
Tower Hamlets	8,766
Newham	7,676
Waltham Forest	5,237
Barking and Dagenham	4,611
Camden	4,238
Havering	3,760
Islington	2,842
Hackney	2,606

This highlights the large number of residents using public transport to travel to work; reinforcing the importance of a strong and reliable public transport network in and around the borough.

²⁴ "Place of Residence by Place of Work," www.data.london.gov.uk

Table 4 - Method of travel to work by distance travelled to work²⁵:

Distance travelled to work	All categories: Method of travel to work (2001 specification)	Work mainly at or from home	Train, underground, metro, light, rail, tram, bus, minibus or coach	Driving a car or van	All other methods of travel to work
All categories: Distance travelled to work	125,362	11,183	56,563	44,310	13,306
Less than 10km	49,226	0	14,619	25,654	8,953
10km to less than 30km	46,187	0	33,948	10,377	1,862
30km and over	4,305	0	1,581	2,386	338
Work mainly at or from home	11,183	11,183	0	0	0
Other	14,461	0	6,415	5,893	2,153

Table 4 below shows the weekly pay of people who work in selected boroughs versus the weekly pay of those who reside there. This reveals that the average pay of people who work in the City of London, Tower Hamlets and Newham is greater than the pay of people who reside there. The situation reverses for the outer London boroughs of Havering, Redbridge and Waltham Forest. This suggests that the outer London boroughs are benefiting by having many residents who commute to better paying jobs in central London.

Table 5 - Annual Survey of Hours and Earnings²⁶

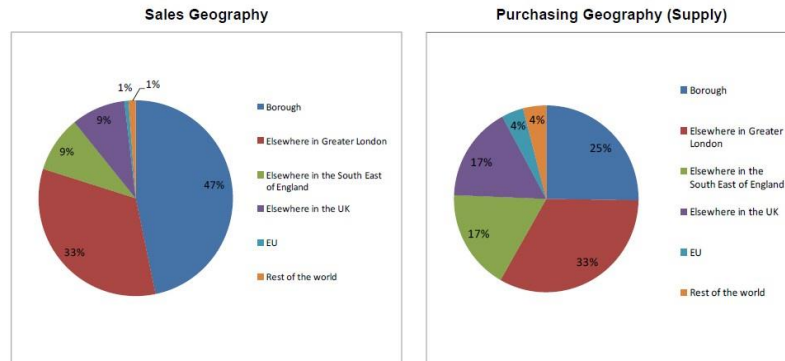
Borough	Median weekly full-time pay (£) of people who reside in borough (2014)	Median weekly full-time pay (£) people who work in borough (2014)
Barking & Dagenham	517.8	626.7
City of London	n/a	928
Havering	614.8	542.1
Newham	509.4	558.6
Redbridge	621.6	551.5
Tower Hamlets	670.4	900.8
Waltham Forest	541.8	525.1

²⁵ "Travel to work trends," www.data.london.gov.uk

²⁶ Source: ONS Annual Survey of Hours and Earnings (via NOMIS)

Internationalised centre and self-contained periphery

Central London's economy is heavily internationalised and highly productive and the outer London boroughs engage with it by supplying skilled labour. When it comes to labour markets, there are no self-contained boroughs or sub-regional labour markets in London²⁷.



There can be little room for doubt that office markets in Outer London, with a small number of exceptions, have been in long-term decline. While a number of off-centre campuses have absorbed office growth in Inner London (e.g. More London, London Bridge City and Paddington, and more recently King's Cross, Stratford and Waterloo), many corporate office jobs have left Outer London, and it seems clear that there is a growing number of centres suffering high office vacancy rates with little prospect of growth.²⁸

Falling job density

"Job density" is the number of full time jobs in an area divided by the resident working age population. Reflecting the decline of their traditional manufacturing base and their limited ability to attract office development, there has been a tendency over time for the job density of all the outer boroughs²⁹ to decline, while that of Tower Hamlets has increased. The very high job density of the City of London is also apparent in Table 6 below, and has increased overall since 2000 after being at a 7-year low in 2007. The low job density figure in Redbridge may subsequently impact the numbers of both commuting and workless individuals living in the borough³⁰.

The change in absolute numbers of jobs in each local authority between 1998 and 2008 is shown in Table 7 below. Because of population growth, some local authorities including Redbridge have had an increase in absolute numbers of jobs, despite the fall in job density.

²⁷ Functional Economic Market Areas: An economic note. CLG, February 2010..

²⁸ London Office Policy Review. Radimus Consulting Limited and Roger Tym & Partners, September 2012. Page 49.

²⁹ For current purposes Newham is being treated as an "outer" London borough

³⁰ Outer London – Economic data and statistics, Greater London Authority, March 2009

Table 6 - Job Density evolution in North East London and City of London

Year	Barking and Dagenham	City of London	Havering	Newham	Redbridge	Tower Hamlets	Waltham Forest
Job Density (Number of jobs per working age resident)							
2000	0.56	67.10	0.63	0.50	0.53	1.15	0.50
2001	0.52	59.14	0.63	0.48	0.52	1.21	0.46
2002	0.50	60.47	0.65	0.43	0.52	1.12	0.46
2003	0.53	61.91	0.66	0.45	0.52	1.13	0.46
2004	0.51	59.73	0.65	0.47	0.52	1.30	0.46
2005	0.51	61.26	0.63	0.49	0.51	1.31	0.50
2006	0.49	59.16	0.60	0.46	0.44	1.31	0.44
2007	0.49	57.98	0.56	0.44	0.46	1.30	0.42
2008	0.48	59.67	0.59	0.41	0.48	1.30	0.41
2009	0.42	61.72	0.54	0.41	0.45	1.23	0.41
2010	0.44	68.16	0.55	0.38	0.43	1.22	0.38
2011	0.45	75.79	0.55	0.41	0.42	1.32	0.40
2012	0.46	77.46	0.56	0.44	0.47	1.30	0.43
2013	0.44	81.79	0.60	0.47	0.45	1.34	0.45
Change 2000 to 2013	- 0.12	+14.69	- 0.03	- 0.03	- 0.08	+ 0.19	- 0.05

Table 7³¹ Change in absolute number of jobs 1998-2014

Local Authority	Number of Employees		
	1998	2011	2014
Barking and Dagenham	54,896	47,400	49,800
City of London	288,375	374,100	401,200
Havering	72,445	70,000	77,400
Newham	61,849	75,300	94,000
Redbridge	63,747	65,700	74,400
Tower Hamlets	123,158	233,000	256,700
Waltham Forest	57,175	57,700	70,700

³¹ Source: ONS Employee Job Estimates/Job Density (VIA NOMIS).

3 Redbridge Now

3.1 Strong Population Growth

In May 2014, the Office for National Statistics (ONS) released revised mid-2012-based population estimates for local authorities in England and Wales. The Redbridge population estimate was 284,600³².

Employment rates of working age people

The working age population (all people aged 16-64) in the borough is 190,700 (2014); or 65.1% of the overall population³³.

Table 8 - Working age population (aged 16-64) (2014):

	Redbridge (numbers)	Redbridge (%)	London (%)	Great Britain (%)
All people aged 16-64	190,700	65.1	68.2	63.5
Males aged 16-64	95,000	65.4	68.8	64.3
Females aged 16-64	95,800	64.8	67.6	62.8

Table 9 - Employment and Unemployment (2015):

	Redbridge (numbers)	Redbridge (%)	London (%)	Great Britain (%)
Economically active	144,800	74.0	77.4	77.5
In employment	132,300	67.5	72.2	73.1
Employees	106,600	54.7	59.3	62.5
Self-employed	25,700	12.8	12.5	10.1
Unemployed	10,400	7.3	6.6	5.7

The borough's working age employment rate is 67.5% (132,300), compared with London 72.2% and Great Britain 73.1%, placing Redbridge 4.7% below the London average and 5.6% below the Great Britain average. Between December 2010 and June 2015, the employment rate in Redbridge increased from 64.6% to 67.5%, an increase of 3.1%. This compares with an increase of 4.9% for London as a whole and an increase of 2.9% for Great Britain over the same period. The employment rate is higher for males (77.7%; 76,400), than for females (57.3%; 55,800).

The working age employment rate for ethnic minorities in the borough is 62.2%, with the unemployment rate at 10.2%. The employment rate is higher for ethnic minority males at 75%, than for females at 49.8%³⁴.

³² Mid-Year Population Estimates for England and Wales. ONS May 2014 Mid 2012 Population Estimate.

³³ Labour Market Profile – Redbridge (www.nomisweb.co.uk)

³⁴ "Labour Market Profile – Redbridge," www.nomisweb.co.uk

The working age employment rate for young people (aged 16 – 24) in Redbridge is 40.3%, compared with 46% for London as a whole and 52.4% for Great Britain. This places Redbridge 5.7% below the London average and 12.1% below the average for Great Britain. Between December 2010 and June 2015 the working age employment rate for young people in Redbridge increased from 35.5% to 40.3%, an increase of 4.8%. This compares with a rise of 5% for London as a whole and 2.2% for Great Britain³⁵.

The working age unemployment rate for young people in Redbridge is 25.3%, compared with 18.9% for London as a whole and 15.7% for Great Britain. This places Redbridge 6.4% above the London average and 9.6% above the Great Britain average. Between December 2010 and June 2015 the working age unemployment rate for young people in Redbridge increased from 21.5% to 25.3%, an increase of 3.8%. This compares with a decrease of 3.6% for London as a whole and a decrease of 3.6% for Great Britain³⁶.

The employment rate for residents aged 50 – 64 is 74.8%; an increase of 12% since December 2010 (62.8%). The employment rate is higher for males aged 50 – 64 (80.6%), than females (70.0%). The unemployment rate for residents aged 50 – 64 is 3.9%. This has fallen from 6.6% in 2010³⁷. As of May 2015, 680 JSA claimants in Redbridge were aged 50-64³⁸.

The working age unemployment rate in the borough is 7.3% (10 400), compared with London 6.6% and Great Britain 5.7%, which places Redbridge 0.7% above the London average and 1.6% above the Great Britain average.

Between December 2010 and June 2015, the unemployment rate in Redbridge fell from 8.9% to 7.3%, a decrease of 1.6%. This compares with a decrease of 2.3% for London as a whole and a decrease of 1.9% for Great Britain over the same period.

The unemployment rate is higher for females (11.8%; 7,500), than for males (6.2%; 5,000)³⁹.

Self-employment

The percentage of the Redbridge workforce in self-employment is currently 12.8% (25,700) which represents an increase of 2.2% since October 2010. This figure is above that of self-employment across London as a whole (12.5%), as well as that of self-employment across Great Britain (10.1%)⁴⁰.

The economic inactivity rate in the borough is currently 26%, with just under one fifth (17.7%) of those wanting a job. The economic inactivity rate has fallen by 3.8% since March 2010. The economic inactivity rate is higher for females (34.7%) than for males (17.2%). The economic inactivity rate for ethnic minorities is 30.7%.⁴¹ However, it is important to note that economic inactivity figures can be skewed by the visa status of an individual and their subsequent eligibility for work and training. Certain visas do not allow an individual to work, or only allow an individual to work for a small number of hours a week; which in turn impacts on their economic activity status. Most training courses also have visa restrictions. There is therefore a gap in the market for organisations that

³⁵ "Labour Market Profile – Redbridge," www.nomisweb.co.uk

³⁶ "Labour Market Profile – Redbridge," www.nomisweb.co.uk

³⁷ "Labour Market Profile – Redbridge," www.nomisweb.co.uk

³⁸ Department for Work and Pensions

³⁹ "Labour Market Profile – Redbridge," www.nomisweb.co.uk

⁴⁰ "Labour Market Profile – Redbridge," www.nomisweb.co.uk

⁴¹ "Labour Market Profile – Redbridge," www.nomisweb.co.uk

support all those looking to find work or training and services such as Work Redbridge, which has no eligibility restrictions, are increasingly important for ensuring the economically inactive population and all those needing support are able to access it.

Redbridge residents in apprenticeships and traineeships

Redbridge has a low take-up of apprenticeships and they are often still regarded as less important than academic qualifications and academic routes into employment.

Redbridge apprenticeship figures:

- Apprenticeship total starts: 243 (2012/13); 229 (2010/12);
- Apprenticeship total achievements: 207 (2012/13); (2011/12)⁴²

The government has committed itself to delivering increased numbers of apprenticeship opportunities to young people and the Mayor of London has set a target⁴³ of creating 250,000 apprenticeships by 2016. However, a 2015 Ofsted Report on apprenticeships found that a third of apprenticeships surveyed were failing to provide sufficiently high-quality training and the much-reported growth in apprenticeships has been concentrated in service sectors where low-skilled roles are being classified as apprenticeships. Notably for Redbridge, SMEs are not sufficiently involved in developing new frameworks or in apprenticeship provision more generally. There are still insufficient apprenticeships providing the advanced, professional-level skills needed in the sectors with shortages; something which would really benefit the borough's economy. Crucially, the number of 16 to 18 year olds being taken on as apprentices nationally is as low today as it was a decade ago, with most new places going to the over-25s, who often receive too little training while at work or during off-the job sessions⁴⁴.

Future population growth

If the Redbridge Community Infrastructure Plan 2011 estimates of homes with 3 and 4 habitable rooms are used as a fair average of the 2015 SHLAA 10-Year estimate of 13,995 homes that will be constructed (with windfall), this produces a total population increase of between 25,890 and 27,990 people by 2025 (based on 1.85 and 2.0 people per dwelling respectively as shown in table 10 below). This mirrors the 25,000 increase predicted in the Council's Corporate Strategy 2014-2018.

⁴² Apprenticeships Starts and Completions," www.data.london.gov.uk

⁴³ Mayor of London's '20:20 Vision' (2015)

⁴⁴ "Apprenticeships: Delivering Skills for Future Prosperity – Ofsted Survey," CSN Policy Briefing

Table 10: Number of persons per dwelling⁴⁵

People Per Dwelling Based on Number of Habitable Rooms								
Number of Habitable Rooms in Dwelling	1	2	3	4	5	6	7	8+
Average Number of people per dwelling	1.48	1.70	1.85	2	2.64	2.76	3.22	3.52

All London boroughs must now adhere to the Mayor’s internal space standards for new dwellings which are stipulated within the London Plan March 2015 (FALP). We set out in table 11 below these standards.

Table 11: London Plan space standards⁴⁶

Dwelling Type	Persons & Beds	GIA (sq.m)
Flats	1p	37
	1b2p	50
	2b3p	61
	2b4p	70
	3b4p	74
	3b5p	86
	3b6p	95
	4b5p	90
	4b6p	99
	2-storey houses	2b4p	83
3b4p		87
3b5p		96
4b5p		100
4b6p		107
3-storey houses	3b5p	102
	4b5p	106
	4b6p	113

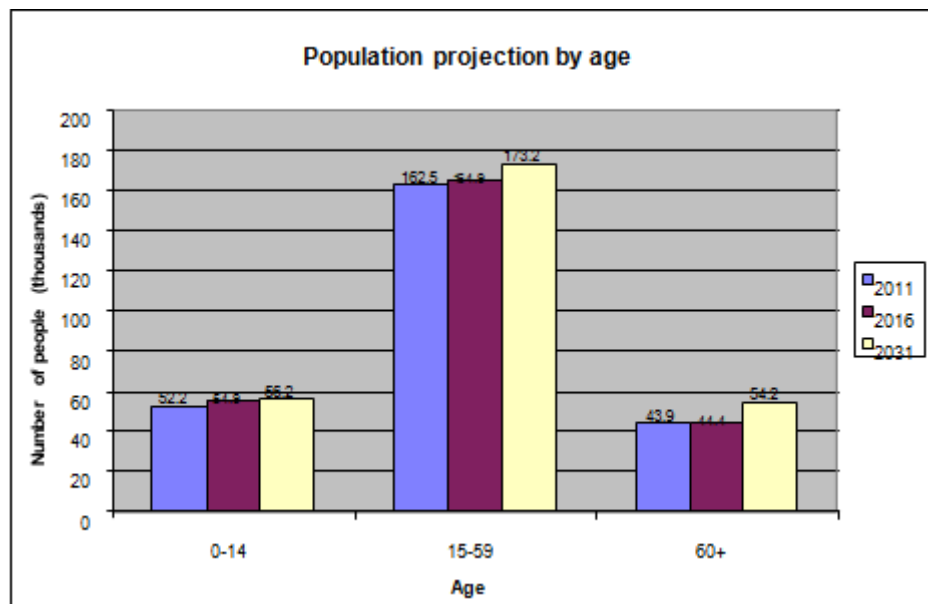
⁴⁵ Redbridge Community Infrastructure Plan January 2011 update. London Borough of Redbridge January 2011. S. 5

⁴⁶ The London Plan March 2015 – Page 116; Table 3.3

The GLA also makes “high” and “low” end population projections which take account of the actual rate of housing construction in each borough. The “high” projection is for the population to hit 302,047 by 2016 and 365,240 by 2031. The “low” projection has the population reaching 265,300 in 2016 and 274,000 by 2031⁴⁷. These figures are challenged by the ONS revisions. The 2011 census confirmed expectations that population growth is far outstripping expectations, posing a major challenge for future housing and community infrastructure delivery.

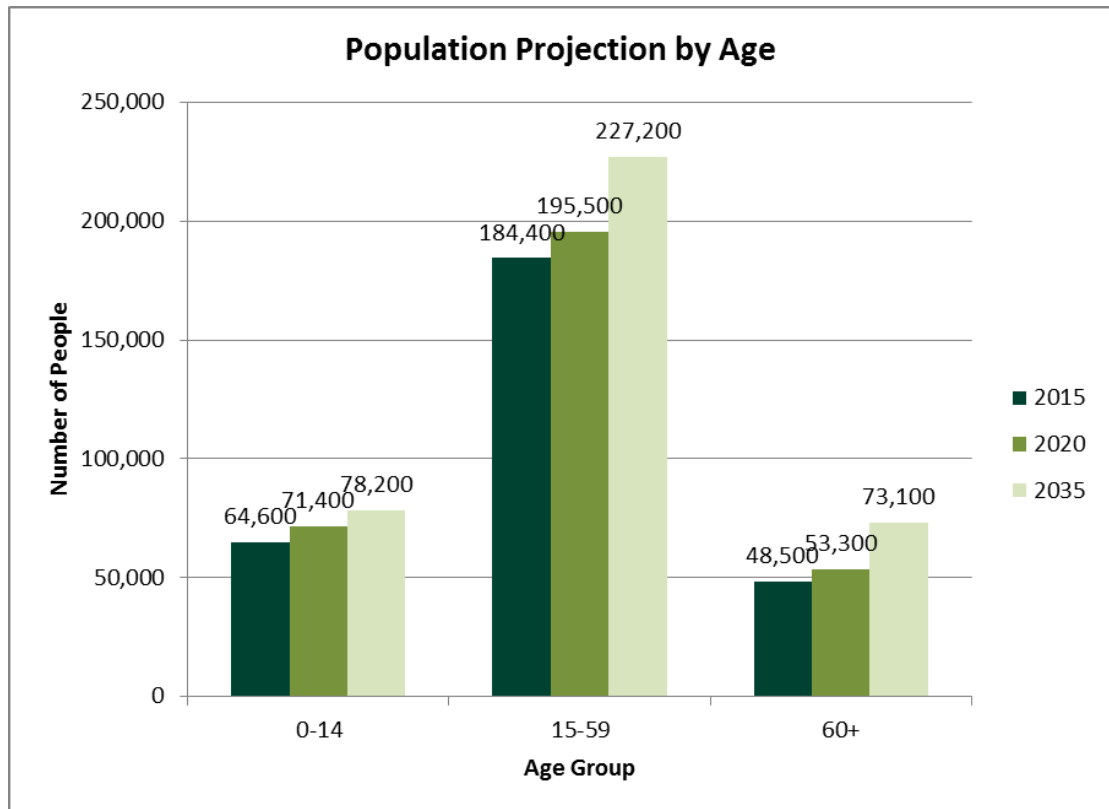
By further analysing these population projections, it is evident that growth is expected to occur in all age categories. Figures 8 and 9 show that there will be a small but significant increase in the number of fewer than 14s which is likely to lead to increased demand on school places and other local authority support services. Of greater significance is the population growth in the over 60 age category. The dependency of these individuals on local authority services may lead to a greater strain on provision, particularly within the current economic climate and further expected public sector cutbacks. These individuals will also begin to leave the labour market as they reach retirement age, which will have a significant effect on the local economy, with dependency both on economically active individuals and on local authority services.

Figure 8: Population Projection⁴⁸



⁴⁷ GLA 2008 Round Demographic Projections. March 2009.

⁴⁸ GLA Trend-Based, Short-Term Migration Scenario Population Projections (April 2015)

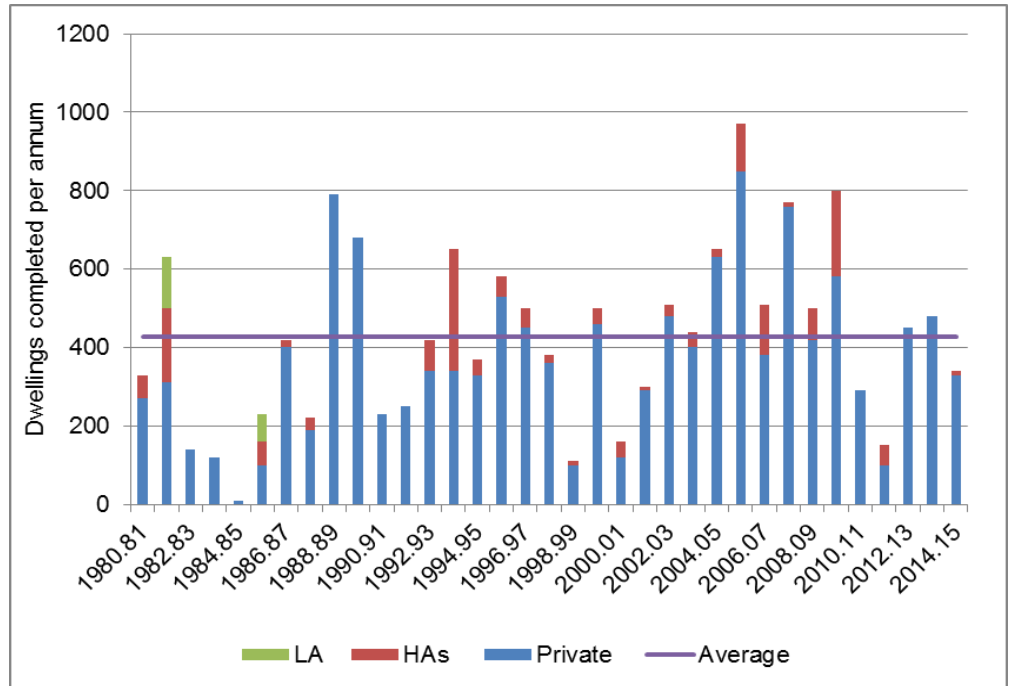
Figure 9b: Redbridge population projections by age


3.2 Housing

As noted in the previous chapter, economic growth within Redbridge is led by housing and around 63.6% of the housing stock in Redbridge is owner occupied. This compares with a London average of 49.5% and a national average of 64.0%. These figures from the 2011 Census reflect the first decrease in UK-wide home ownership rates in a century.

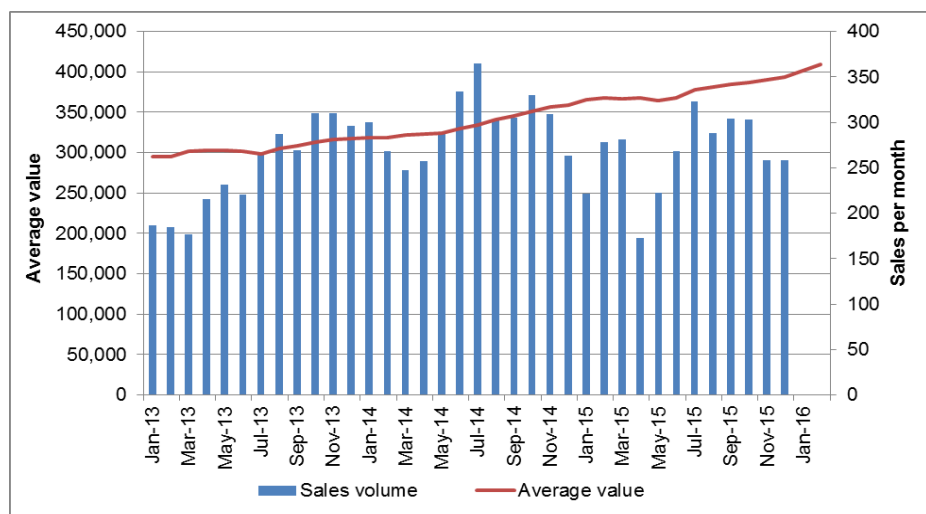
The 2011 Census revealed that the average household size was 2.8 people. Wards to the south of the Borough have the highest number of people per household, exceeding the average figure for London, which is 2.5 people per household. Clementswood has the highest rate of 3.3 people per household whilst Snaresbrook has the lowest in the Borough with 2.2 people per household. Figure 10 below shows the number of dwelling completions by type of developer for Redbridge from 1980/81 to 2014/15. Over the period 1980/81 to 2014/15, the average number of units completed from all sources was 429 per annum. Following the housing market recession from 2008 to 2011, when completions fell to a low of 100 units per annum, completions have since recovered to exceed the medium term average of 429 units per annum in the three years to 2014/15.

Figure 10⁴⁹ - Redbridge Housing Completions by type of developer 1980/81 to 2014/15



At October 2013 the average price of a home in Redbridge was £313,288. By February 2016 it has risen to £409,629, steadily increasing month on month over the intervening period with no noticeable drops in the average price. As of February 2016, average prices in Redbridge remain above the average price of a home in Barking and Dagenham (£326,461), Havering (£361,331), Newham (£345,767). Waltham Forest has seen the sharpest increase in average house price compared to the other areas with the average price of a home, as at February 2016, being £425,358. Getting started on the housing ladder remains beyond the reach of many people in Redbridge.

Figure 11: House Price and Sales Volume in Redbridge September 2013 to August 2015⁵⁰



⁴⁹ Source: Community Infrastructure Plan January 2011 Update. London Borough of Redbridge, January 2011. Appendix 1.

⁵⁰ Source: House Price Index, Land Registry, November 2015

The 2013-14 Redbridge Monitoring Report for Housing Needs and Requirements identified a total requirement of 10,153 homes over the next 5 years. Of this, the market Housing requirement is 923 homes, the intermediate requirement is 5,335 homes, whilst the social rented housing requirement is 3,895 homes.⁵¹

Table 12 below shows the gradual increase of land values over recent years in Redbridge. The data below is based on the Savills Development Land Index which indexes values relative to the peak achieved in 2007 before the onset of the global financial crisis. The basis of the 2007 base values are taken from the VOA's previous Property Market Report publications.

Table 12: - Redbridge Residential Land Values⁵²

Type of Land	September 2012 (£ hectare)	September 2013 (£ hectare)	September 2014 (£ hectare)	September 2015 (£ hectare)
Small sites (<5 houses)	£6,138,000	£7,006,000	£7,688,000	£7,688,000
Bulk land (2< hectares)	£5,172,750	£5,904,240	£6,479,000	£6,479,000
Sites for flats	£6,657,750	£7,599,250	£8,339,000	£8,339,000

Education

Redbridge has high performing schools and consistently high percentages of pupils achieving good examination results. In 2014, 77.1% of end of key stage four pupils achieved five or more A* - C grades at GCSE, and 68.7% of pupils achieved five or more A* - C grades at GCSE; including English and Mathematics.

Redbridge schools routinely see high numbers of school leavers progressing to Higher Education, and in 2012 the borough had the highest number of school leavers going to university in the country⁵³. In 2013, 69% of school leavers went on to study at a UK higher education institution ('HEI'); including 33% at the top third of HEIs.

Health

In the 2011 Census, a higher percentage of Redbridge residents (48.1%) considered themselves to be in very good health than for the country as a whole (47.1%), although the figure was lower than for London as a region (50.5%). A lower percentage of Redbridge residents (1.1%) considered themselves in very bad health compared to both the country as a whole (1.3%) and London as a region (1.2%).

In 2010-12, the healthy life expectancy at birth for males in the borough was 66 and 62.9 for females. This compares to 65.5 for Redbridge males in 2009-11 and 62.4 for females.

⁵¹ Redbridge Monitoring Report for Housing Needs and Requirements

⁵² Property Market Report, Valuation Office Agency, January 2007 (baseline index point); and, Savills Development Land Index (Savills research) 2016.

⁵³ London Borough of Redbridge Fairness Commission

Deprivation

Based on the Index of Multiple Deprivation 2015, Redbridge as a whole is the 178th most deprived local authority district (out of the 326 Local Authority Districts), falling from 125th place in 2010.

The south of the borough has inner city features, notably around Ilford. This is alongside less densely-populated, more affluent areas in the north of the borough. The most deprived areas of the borough are therefore located in the south, with Clementswood and Loxford the two most deprived wards, and the least deprived areas being located in the North West, with Monkham's the least deprived ward (based on rank of average score within London - see table below for indices of deprivation rank).

In percentage terms, Redbridge has seen a decrease in the number of children under 16 living in poverty. In 2012 this was at 19.3%; a fall of 5.7% from 2010 (25%). This figure corresponds to numbers of children aged under 16 living in low income families who are in receipt of out of work benefits or tax credits. The figure for London as a whole in 2012 was 23.7%.⁵⁴

In 2015, 14.6% of pupils at maintained nursery and primary schools in the borough were known to be eligible for and claiming free meals. This figure has fallen from 18.2% in 2010, and is below the Outer London average of 15% (2015).⁵⁵

In 2015, 17.3% of pupils were known to be eligible for and claiming free school meals in maintained secondary schools. This figure has fallen from 16.4% in 2010, and is below the Outer London average of 14.8% (2015).⁵⁶

A new method of measuring child poverty is to be introduced under the Conservative government, which is reported to focus on the root causes of poverty and includes factors such as educational achievement, living in a workless household and income. This is likely to impact on child poverty statistics, but is important that associated issues continue to be prioritised and appropriately tackled.

In 2012, 10.8% of Redbridge households were experiencing fuel poverty, meaning they were unable to keep their home adequately heated. (The percentage of households in an area that experience fuel poverty based on the "Low income, high cost" methodology.) 48 088 Redbridge citizens were income deprived; meaning they were either out-of-work or in low-paid work.⁵⁷

3.3 Industries in which Redbridge Residents Work

In 2014 69.4% of the working age population were in employment (13.5% being self-employed and 55.7% working for someone else) and 6.8% were unemployed. Employment rates were higher for men (78.6%) than for women (60.3%) and the rate for ethnic minorities was 66.3%.

⁵⁴ "Children in Poverty," www.data.london.gov.uk

⁵⁵ "Pupils Eligible for Free School Meals," www.data.london.gov.uk

⁵⁶ "Pupils Eligible for Free School Meals," www.data.london.gov.uk

⁵⁷ "Pupil Health Outcomes Framework Indicators," www.data.london.gov.uk

Table 13: Employee Jobs (2014)⁵⁸

	Redbridge (employee jobs)	Redbridge (%)	London (%)	Great Britain (%)
Total employee jobs	74,400	-	-	-
Full-time	49,200	66.2	73.8	68.3
Part-time	25,100	33.8	26.2	31.7

In 2014 there were approximately 74,400 jobs in Redbridge; the majority (66.2%) being full-time.

Table 14: Employment by Occupation (2015)⁵⁹

	Redbridge (numbers)	Redbridge (%)	London (%)	Great Britain (%)
Major group 1	65,300	49.6	53.2	44.3
Managers, Directors and Senior Officials	14,800	11.2	11.6	10.3
Professional Occupations	30,200	22.8	23.6	19.7
Associate Professional and Technical	20,300	15.4	17.6	14.0
Major group 2	26,900	20.5	17.7	21.5
Administrative and Secretarial	17,800	13.4	10.2	10.6
Skilled Trade Occupations	9,100	6.9	7.5	10.7
Major group 3	20,400	15.5	14.9	17.1
Caring, Leisure and Other Service Occupations	8,600	6.5	7.9	9.2
Sales and customer Service Ocs	11,800	8.9	6.9	7.7
Major group 4	18,900	14.4	14.2	17.2
Process Plant & Machine Operatives	7,700	5.8	4.3	6.3
Elementary Occupations	11,200	8.5	9.8	10.8

⁵⁸ "Labour Market Profile – Redbridge," www.nomisweb.co.uk

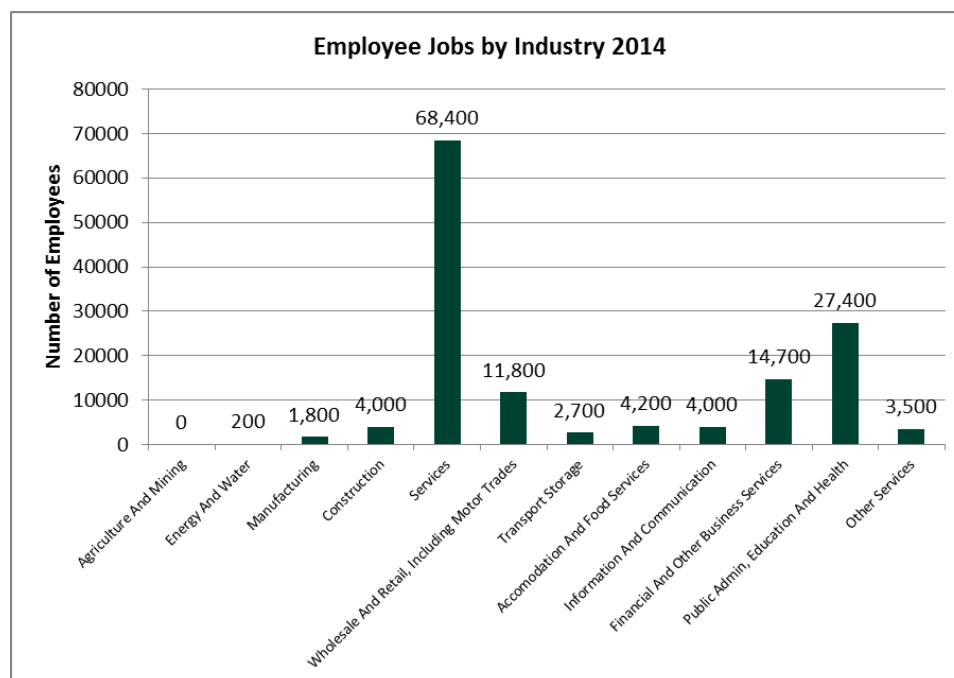
⁵⁹ "Labour Market Profile – Redbridge," www.nomisweb.co.uk

Table 15: Employee jobs by Industry (2014)⁶⁰

	Redbridge (employee jobs)	Redbridge (%)	London (%)	Great Britain (%)
Primary Services (agriculture and mining)	0	0.0	0.1	0.4
Energy and water	200	0.3	0.5	1.1
Manufacturing	1,800	2.4	2.4	8.5
Construction	4,000	5.4	3.1	4.5
Services	68,400	91.9	94.0	85.6
Wholesale and Retail	11,800	15.9	12.6	15.9
Transport storage	2,700	3.7	4.8	4.5
Accommodation and Food Services	4,200	5.7	7.6	7.1
Information and Communication	4,000	5.4	7.9	4.1
Financial and other Business Services	14,700	19.8	33.0	22.2
Public Admin, Education and Health	27,400	36.8	23.0	27.4
Other Services	3,500	4.7	5.1	4.4

Despite significant public sector cuts, and in parallel with the last plan, the vast majority of Redbridge jobs (91.9%) are within service industries and 36.8% (27 400) of these service industry jobs are in public administration, education and health. This is 14.2% above the percentage of public administration, education and health sectors jobs in the whole of London (22.6%) and 8.8% above the percentage of such jobs for Great Britain (28%).

The pattern of employment in Redbridge by broad industry group in 2014 as reported by the Office for National Statistics (ONS) is shown below:

Figure 12: Employees by sector


⁶⁰ "Labour Market Profile – Redbridge," www.nomisweb.co.uk

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We note that all sectors to the right of the “Services” bar in the graph above accumulatively equal the total number of employees within Services.

The largest numbers of residents work in the Public Admin, Education and Health sector with 27,400 employed in this sector.

Table 17 (overleaf) shows the employee jobs by industry, broken down by ward in 2008. The largest labour market is Clementswood ward, which is dominated by public sector employment. This is followed by Valentines, Seven Kings and Newbury. Due to the fact that significant numbers of the Redbridge workforce are employed in public administration, education and health industries, the impending public sector cuts are likely to have a notable impact across the borough, but particularly in the wards of Clementswood, Seven Kings and Newbury, where the largest numbers are employed within the public sector.

Table 16 - Employee by industry per ward 2011⁶¹

Ward	Professional (%)	Administrative & Sectorial (%)	Associated Professional & Technical (%)
Aldborough	22.2	14.3	12.5
Barkingside	24.7	16	12.5
Bridge	20.8	15.3	14.3
Chadwell	20	15.4	13.4
Church End	30.1	19.4	13.3
Clayhall	24.7	15.3	13.5
Clementswood	20.3	13.2	12.5
Cranbrook	24	13.4	13.09
Fairlop	17.2	16.3	14
Fullwell	17.7	15.3	13.1
Goodmayes	19.7	13.6	11.5
Hainault	14.9	14.6	12.6
Loxford	18.1	14.8	14.5
Mayfield	18	15	11.5
Monkhams	28.3	17.3	16.3
Newbury	21.8	14.5	11.2
Roding	25.2	14.9	13.09
Seven Kings	20.8	13.2	11.4
Snaresbrook	33.3	19.1	14.4
Valentines	25.1	13.1	11.3
Wanstead	32.3	15.3	13.2

The largest employers in Redbridge (by number of employees) are the London Borough of Redbridge (2,600 employees), Barking, Havering & Redbridge NHS Trust (1,000 employees), Kapa Limited (800 employees), the Metropolitan Police (700 employees), Interserve Facilities Services (650 employees), M&S On Time Limited (650 employees) and Barnardos (600 employees)⁶².

⁶¹ Source: ONS: Ward Profiles – Local Labour Market Area Comparison 2011

⁶² Redbridge Economic Strategy Development – Baseline (2016)

Employment in the various sectors is not evenly distributed across the borough. The Central and Crossrail sub-areas rely heavily on roles in the public sector, accounting for 41% and 45% of all jobs respectively. In the Hainault sub-area, there is a high concentration of roles in advanced manufacturing and construction, and in wholesale and retail. In Ilford, there is a high concentration of roles in information and communications technology, as well as business and professional services. Wanstead and Woodford also has concentrations of information and communications technology as well as manufacturing and construction⁶³.

Table 18 overleaf shows the Employment Statistics by Ward within Redbridge. In a later section of this report, Job Seekers' Allowance ('JSA') claimant rates of wards are also considered. However, it is important to remember that that unemployment levels and JSA claimant rates are not necessarily reflective of each other, although they can be used as "rough" gauges of the other. The data in the table below is from 2011 (as no more recent data is available on a Ward level basis at the time of writing). JSA claimant rate data (presented in a later section) is however available from 2014.

Table 17 - Employment Statistics by Wards⁶⁴

Ward	Unemployed	As a % of Economically Active Persons
Aldborough	657	9.4
Barkingside	538	8.9
Bridge	458	7.5
Chadwell	704	10
Church End	343	5.1
Clayhall	511	8.2
Clementswood	926	14.5
Cranbrook	618	10.4
Fairlop	476	7.5
Fullwell	554	9.3
Goodmayes	771	12.5
Hainault	626	10.6
Loxford	1,141	16.9
Mayfield	705	11.3
Monkhams	218	4.2
Newbury	838	10.8
Roding	492	7.6
Seven Kings	891	12.8
Snaresbrook	322	4.9
Valentines	874	13.2
Wanstead	346	5.7

The highest rates of unemployment as a percentage of those economically active residing in the ward are seen within those Wards situated in the south-eastern quarter of the Borough. These being Chadwell, Clementswood, Goodmayes, Loxford, Mayfield, Newbury, Seven Kings and Valentines. However, both Cranbrook and Hainault also show high levels of unemployment.

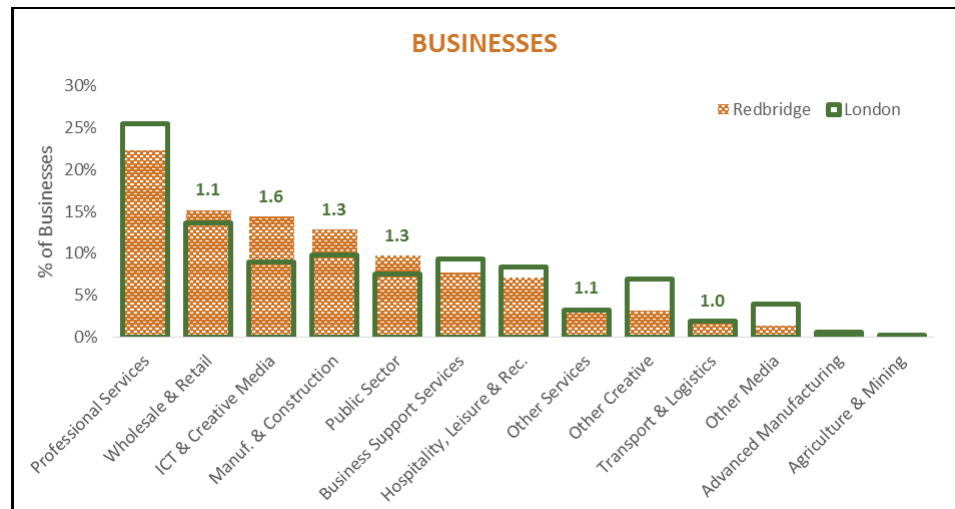
⁶³ Ibid

⁶⁴ Source: ONS: Labour Market Profile 2014 – Redbridge

3.4 Industries in which people work in Redbridge

In 2014 there were a total of 74,400 people employed within industries in Redbridge. Figure 13 shows the number of businesses by each industry present in the borough.

Figure 13 – Industries in Redbridge 2016⁶⁵



The top three industries in Redbridge are construction, retail and professional and scientific & technical with more than 1000 businesses in each⁶⁶. Although the number of public administration and defence industries is relatively low, as previously outlined, these industries employ the largest numbers of employees.

The UK government continues to aspire for the British economy to remain one of the most powerful economies in the world. This can be achieved by supporting new and innovative sectors that can provide a “knowledge base” economy. Future investments are likely to be made in sectors such as technology, science and financial services⁶⁷. Redbridge is therefore well placed to benefit from this focus, particularly with large numbers of scientific and technical industries.

The Hainault Business Improvement District in particular, contains 160 companies (at 2011) and has been identified as a major manufacturing area in the London plan. The continued growth of this District will provide significant benefits to the borough, notably in terms of supply chains and the use of local manufacturers by local businesses.

⁶⁵ Source: Redbridge Economic Strategy Baseline (2016)

⁶⁶ Redbridge Economic Strategy Baseline (2016)

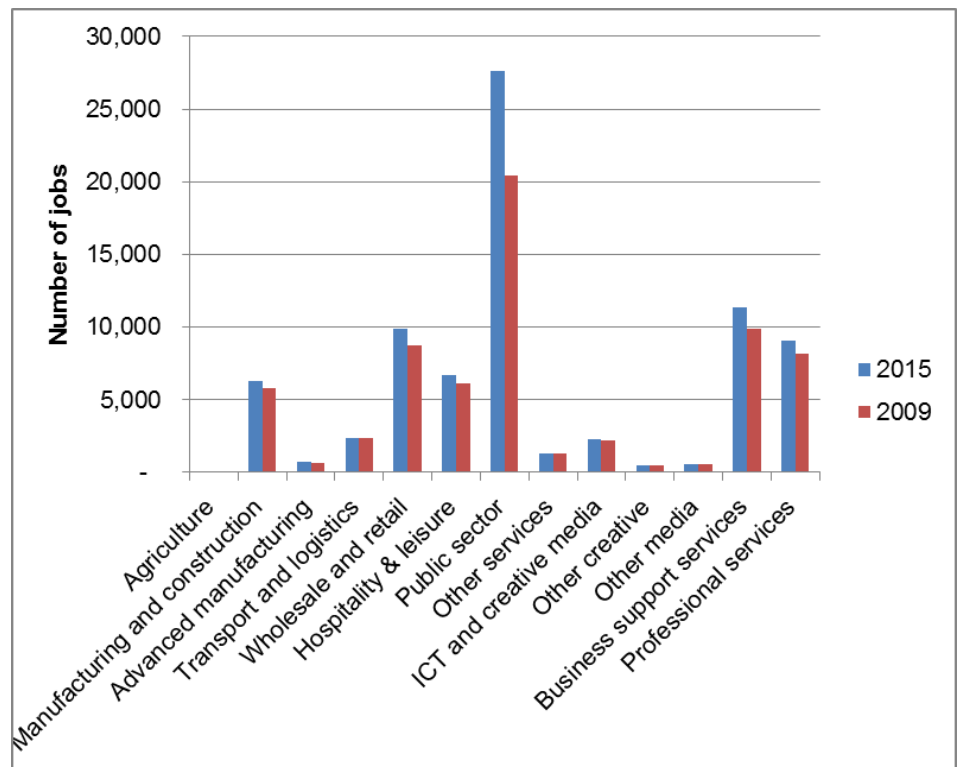
⁶⁷ *Building Britain’s Future*, HMG, June 2009. Chapter 3 [*Investing for the Future: Building Tomorrow’s Economy Today*]

Table 18: Businesses by sub-areas⁶⁸

Area	No of businesses	% of all business in Redbridge	Change 2010 to 2015
Central	1,800	19%	+64%
Crossrail corridor	2,100	22%	+89%
Hainault	1,000	10%	+48%
Ilford	1,900	20%	+54%
Wanstead & Woodford	2,900	30%	+48%
All Redbridge	12,600	100%	+47%

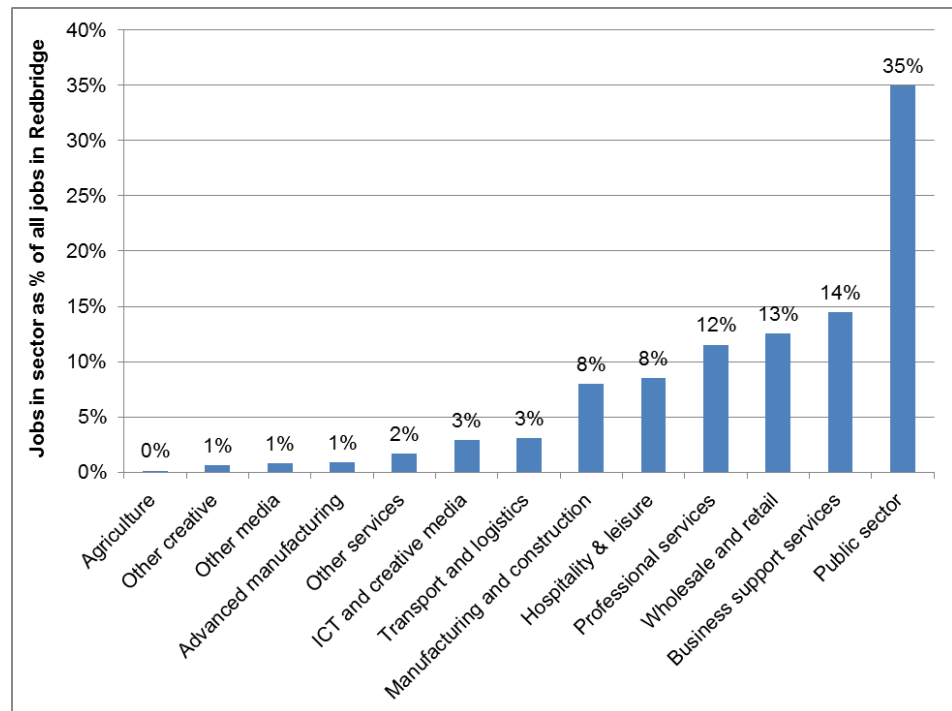
Figure 14 below shows how employment patterns within Redbridge changed between 2009 and 2015. Figure 15 shows employment at 2015. Data for 2014 is shown in an individual graph (15) due to the industry groups having been changed.

Figure 14- Change in Employment in Redbridge 2009-2015⁶⁹



⁶⁸ Redbridge Economic Strategy Baseline (2016)

⁶⁹ Source: Redbridge Economic Strategy Baseline (2016)

Figure 15 – Employment in Redbridge 2015⁷⁰


Employment in manufacturing, construction, wholesale and retail trade and banking and finance became less significant over the decade, while transport and communications and public sector employment all became more important. It is likely that many of the people in the transport and communications sector also worked directly or indirectly for Government, providing the various public transport services. Consequently, public spending probably accounted for well over 40% of all employment in Redbridge in 2008. The trend over time has been for the local employment base to narrow and for job creation in Redbridge to rely more and more on public spending.

The table below shows the median weekly gross pay in London's boroughs. Redbridge residents' weekly pay is significantly higher than the UK average.

⁷⁰ Source: Redbridge Economic Strategy Baseline (2016)

Table 19 - Weekly pay – Gross 2013

Borough	Weekly Pay (£ Gross)	Borough	Weekly Pay (£ Gross)
Barking and	534.5	Hounslow	565.7
Barnet	629.8	Islington	670.8
Bexley	612.7	Kensington and Chelsea	762.8
Brent	551.4	Kingston upon Thames	701.9
Bromley	681.0	Lambeth	621.5
Camden	719.8	Lewisham	606.4
City of London	864.7	Merton	622.4
Croydon	602.8	Newham	505.5
Ealing	562.2	Redbridge	652.5
Enfield	564.0	Richmond upon Thames	744.2
Greenwich	601.0	Southwark	644.2
Hackney	603.4	Sutton	605.9
Hammersmith and	686.1	Tower Hamlets	637.0
Haringey	576.6	Waltham Forest	546.1
Harrow	625.7	Wandsworth	718.5
Havering	626.3	Westminster	764.4
Hillingdon	605.5	UK average	527.7

3.5 Business Investment and Growth

Redbridge is a borough of micro businesses. In 2015 some 93.5% (10,825) of the borough's 11,575 total businesses were classed as micro businesses and had fewer than 10 employees. This is an increase of nearly 4,000 micro businesses since 2010⁷¹.

However, Redbridge has high rates of both business formation and failure, commonly referred to as business 'churn.' In 2013 there were 2,430 enterprise 'births', 1,525 enterprise 'deaths' and 12,085 active enterprises⁷². Business survival rates are relatively low, with around 36% of businesses surviving the first five years of trade, which is slightly lower than the London average of 37%⁷³.

Table 20 - UK Business Counts (2015)⁷⁴:

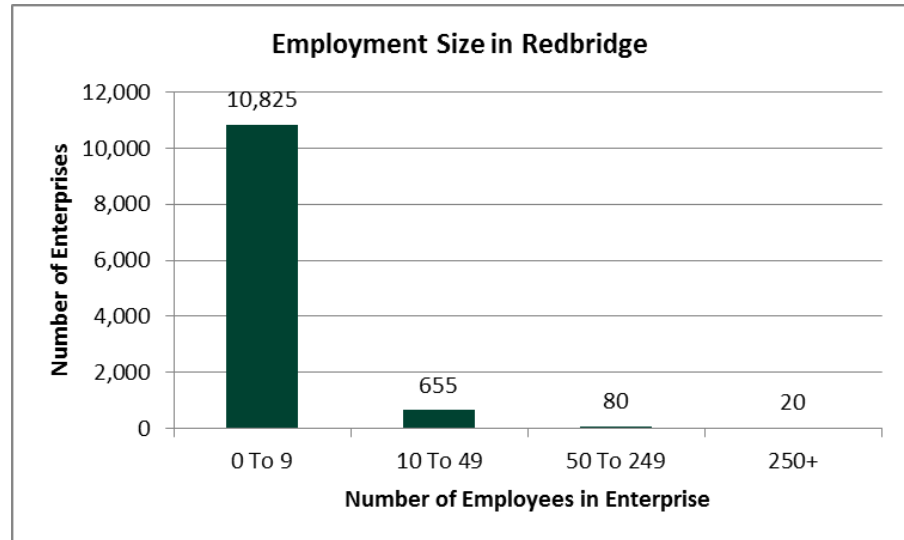
	Redbridge (numbers)	Redbridge (%)	London (numbers)	London (%)
Micro (0 to 9)	10 825	93.5	400,710	90.1
Small (10 to 49)	655	5.7	35,500	8.0
Medium (50 to 249)	80	0.7	6,780	1.5
Large (250+)	20	0.2	1,890	0.4
Total	11,575	-	444,880	-

⁷¹ "Labour Market Profile – Redbridge," www.nomisweb.co.uk and Redbridge Economic Strategy Baseline (2016)

⁷² "Business Demographics and Survival Rates," www.data.london.gov.uk

⁷³ Redbridge Economic Strategy Baseline (2016)

⁷⁴ "Labour Market Profile – Redbridge," www.nomisweb.co.uk

Figure 16: Company Employment size in Redbridge⁷⁵


In order to sustain these micro-businesses local providers offer a range of support and one-to-one business advice for small and medium sized enterprises (SMEs). Recent research shows that new start-up businesses would prefer to receive advice from a successful business person who has gone through the same process of setting up a business and can share experience and knowledge in a more effective and tailored way than perhaps a dedicated advisor.⁷⁶ Recent feedback from providers has shown that although new start-up businesses often need significant amounts of support, many well established businesses are now seeking business support, particularly in improving their marketing techniques, website designs and customer service.

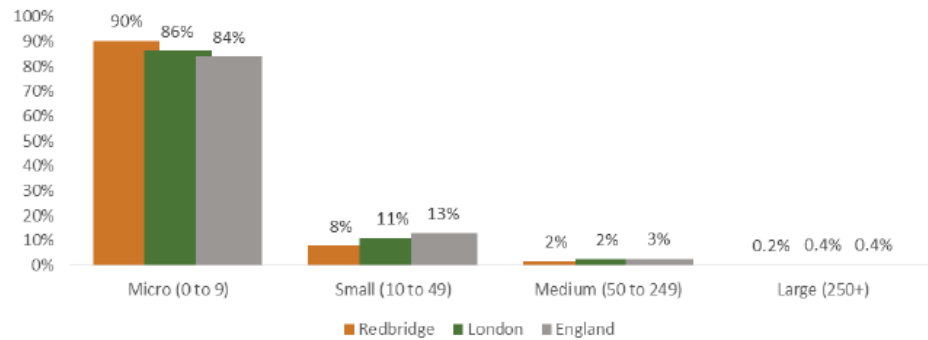
Furthermore the Council is also developing different programmes with its partners to promote social enterprise throughout the borough in order to create sustainable businesses and make Redbridge an even more competitive entrepreneurial borough. Redbridge is working with North East London Strategic Alliance (NELSA) and the London- Stansted-Cambridge Consortium (LSCC) to open up new partnership opportunities and employment opportunities for Redbridge residents. A number of organised business networks are also active in the Borough which provide services such as developing new business-to-business contacts as well as other general networking advice for new start-ups.⁷⁷

Large businesses (though few in number) still account for a large share of total employment (Figure 14).

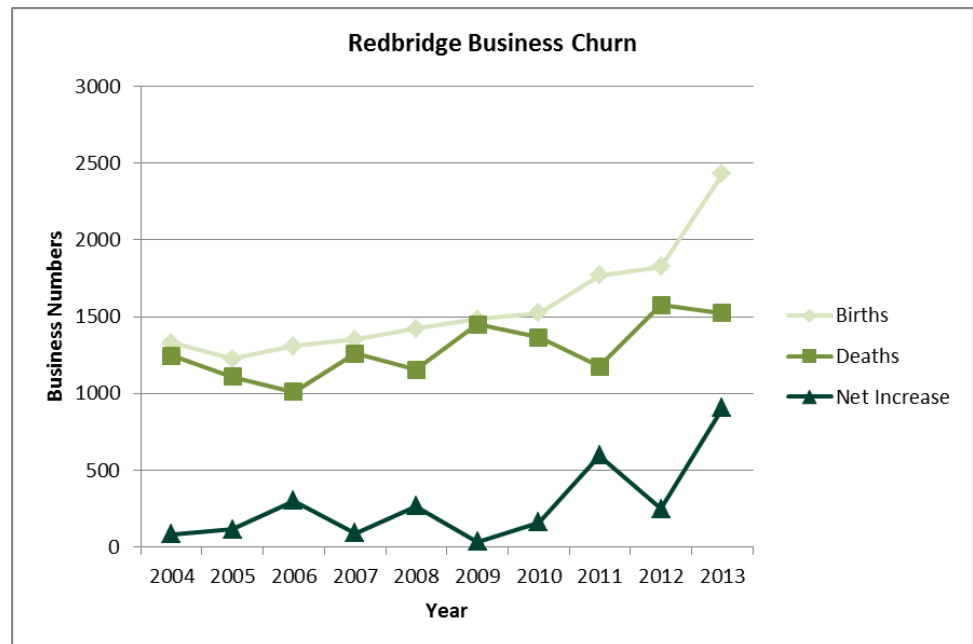
⁷⁵ Labour Market Profile – Redbridge (via NOMIS)

⁷⁶ Business Support in Redbridge: A report to the Redbridge Chamber of Commerce, page 6

⁷⁷ Business Support Feasibility Study: A report to the Redbridge Chamber of Commerce, page 14

Figure 17: Number of employees for each size of business in Redbridge 2015⁷⁸


Redbridge has high rates of both business formation and failure (sometimes called “churn”). Between 2004 and 2010, the average net increase in business births v. business deaths was 150 businesses per year. However, from 2011 and onwards to 2013, the net annual increase in businesses in Redbridge has increased considerably with an average of 583 additional businesses per year. Indeed, a significant increase on the previous year was recorded in 2013, with a net increase of 905 businesses. This is shown in Figure 18 below.

Figure 18⁷⁹ Redbridge Business Churn


⁷⁸ Source: ONS UK Business Count (2015)

⁷⁹ Source: Redbridge Borough Profile November 2015, page 179

Table 21 - Business Demography⁸⁰

	2009	2010	2011	2012	2013
Birth of new enterprise	1,485	1,525	1,770	1,825	2,430
Death of enterprise	1,450	1,365	1,175	1,575	1,525
Count of Active enterprises	9,435	10,095	10,475	11,240	12,085

Table 22 shows the survival rate of start-up businesses in Redbridge from 2008 to 2012. The highest rates of survival are in the first year. In 2012, only 36.3% of businesses that started up between 2003 and 2008 had survived. This is lower than the 37.1% London average or 46.6% 41.2% national average.

Table 22⁸¹ - Business Survival 2008-2012

Year of birth	Business survival										
	Births	1 Year Survival	1 Year %	2 Year Survival	2 Year %	3 Year Survival	3 Year %	4 Year Survival	4 Year %	5 Year Survival	5 Year %
2008	1,420	1,320	93.0	1,005	70.8	735	51.8	625	44.0	515	36.3
2009	1,485	1,290	86.9	1,035	69.7	800	53.9	640	43.1	..	..
2010	1,525	1,315	86.2	1,065	69.8	805	52.8	..	..	..	..
2011	1,770	1,670	94.4	1,325	74.9	..	..	..	..	..	..
2012	1,825	1,660	91.0	..	..	..	..	..	..	..	..

⁸⁰ ONS Business Demography 2013

⁸¹ ONS Business Demography 2013

3.6 Barriers to Business Success

The 2014 London Annual Business Survey ranks the main constraints to business growth in London, based on a survey of businesses in the capital. Table 19 ranks the constraints in order of importance across London as a whole and within north east London.

The factors identified are echoed in the Redbridge Economic Strategy Baseline (2016) which identifies the key constraints to business growth as follows, in the order of relative importance:

- Government regulations
- Availability of skilled labour
- Cost of premises
- Transport within London
- Cost of labour; availability of affordable premises; crime
- Transport in and out of the Borough
- Size of premises
- Proximity to customers
- Access to finance
- Proximity to suppliers.

Table 23 - Constraints to Business Growth 2014⁸²

Constraint on Business	Rank (1= most important)	
	Whole of London	North East London
Government regulations	1	1
Transport within London	2	4
Cost of premises	3	3
Availability of skilled	4	2
Transport in and out of London	5	8
Cost of labour	6	5/6/7
Availability of affordable	7	5/6/7
Crime	8	5/6/7
Size of premises	9	9
Proximity to customers or	10	10/11
Proximity of other companies in same	11	10/11
Access to finance	12	12
Proximity to suppliers	13	13

3.7 Worklessness Assessment⁸³

Unemployment and JSA claimants

Redbridge has been subject to different trends in Job Seekers Allowance ('JSA') claimants since 2008. Between January 2009 and January 2010 the increase was 29.39% to 6,780. Between January 2010 and January 2011 there was a decrease of 4.06% before a further increase of 10.68% between January 2011 and January 2012. From January 2012 to the same month in 2013, there

⁸² Sources: London Annual Business Survey, 2014 LDA and Sources of Endogenous Growth in Outer London: A Case Study for North East London (should now be "East"), LDA September 2014.

was a decrease of 8.19% proceeded by further decreases of 28.82% and 30.5% January 2013 to January 2014 and January 2014 to January 2015 respectively. The number of claimants at January 2015 in Redbridge was 3,270. By October 2015 this had fallen by a further 14.22% to 2,805. The highest number of claimants in the borough between January 2008 and October 2015 was in the month of September 2011, when there were 7,580 (Nomis December 2015).

Figure 19: Male unemployment (ages 16-64)⁸⁴

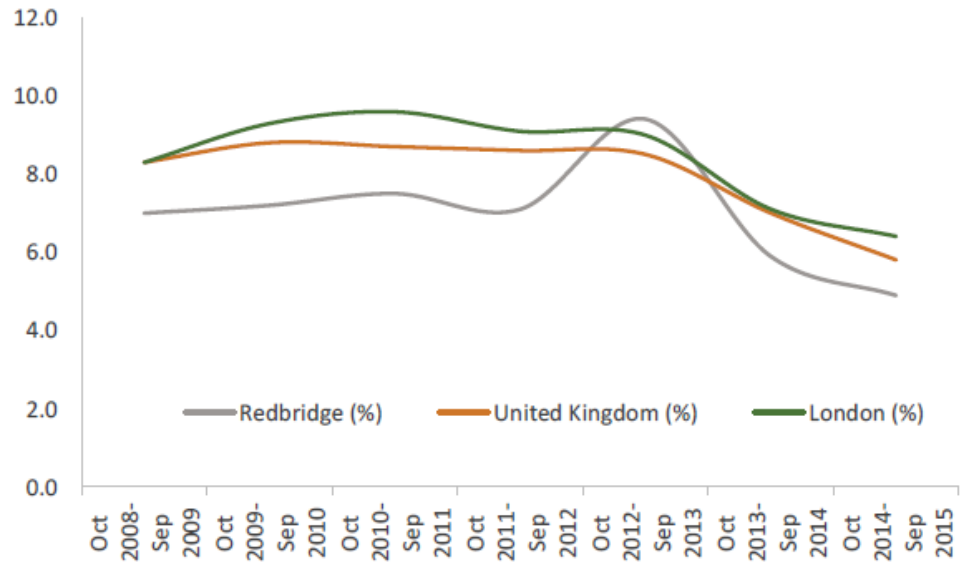
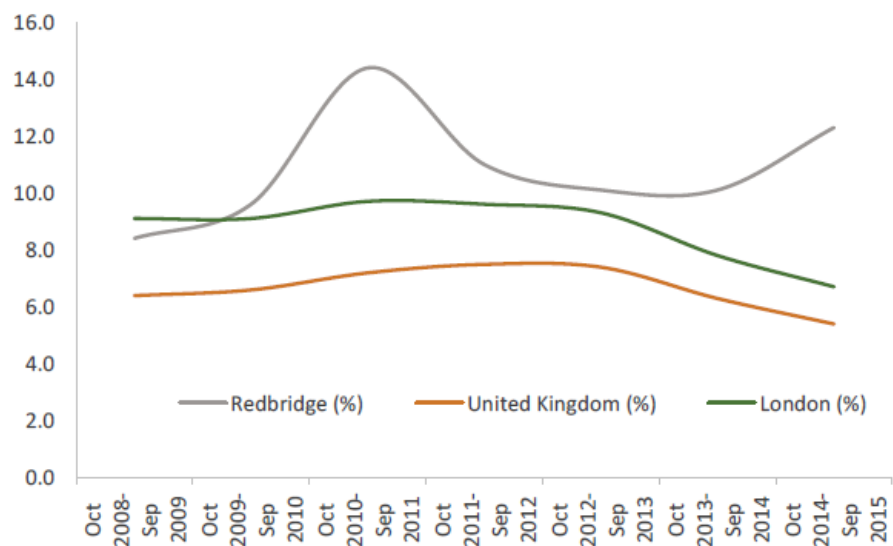


Figure 20: Female unemployment (ages 16-64)⁸⁵

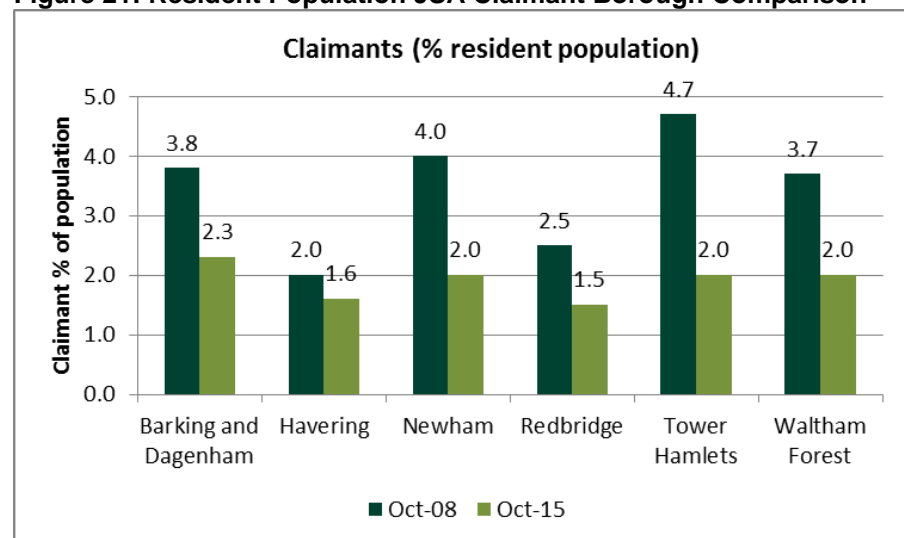


⁸⁴ Redbridge Economic Strategy Baseline (2016)

⁸⁵ Redbridge Economic Strategy Baseline (2016)

Table 24 - JSA claimants in Redbridge wards – highest and lowest, August 2008 - October 2015

Claimant count in Redbridge Aug 08 (Number of Persons)		Claimant count in Redbridge in Jan 09 (Number of Persons)		Claimant count in Redbridge Oct 15 (Number of Persons)	
Highest four wards					
Loxford	356	Loxford	421	Loxford	285
Valentines	360	Valentines	407	Valentines	175
Clementswood	312	Clementswood	370	Clementswood	185
Newbury	269	Goodmayes	323	Newbury	170
Lowest four wards					
Monkhams	37	Monkhams	99	Monkhams	55
Church End	82	Snaresbrook	151	Snaresbrook	80
Snaresbrook	95	Church End	156	Wanstead	75
Wanstead	103	Wanstead	161	Clayhall	70

Figure 21: Resident Population JSA Claimant Borough Comparison


The wards with persistently high numbers of JSA claimants have experienced rises in numbers during the recession but many were long term unemployed and were already out of work before the downturn. The more affluent parts of the borough have suffered from higher rises in unemployment as residents there were more likely to work in the financial services sector in central London and were disproportionately likely to be made newly redundant.

Table 25 - JSA Claimants⁸⁶

JSA Stock (Date)	Total	Aged 16-14	Aged 25-49	Aged 50-64
November 2014	3,505	845	1,985	680
January 2015	3,270	635	1,950	685
February 2015	3,215	660	1,880	675
March 2015	3,145	645	1,835	665
April 2015	3,065	585	1,805	670
May 2015	3,140	610	1,850	680
June 2015	3,000	580	1,765	655
July 2015	2,945	590	1,690	660
August 2015	2,900	620	1,620	660
September 2015	2,900	630	1,605	670
October 2015	2,805	560	1,555	690

Claimant numbers, on the whole, have fallen from month to month since November 2014 to October 2015 across all age groups except for the 50-64 age group which has remained relatively unchanged since November 2014 – albeit that it has risen by 1.4%. The concern with the number of claimants in the 50-64 age group is that they often find it more difficult to return to employment and may not have the skill set organisations required. Where these individuals remain out of employment for long periods they become more dependent on public services and support. With increasing retirement ages, this could see some individuals out of work for well over 10 years.

Although Redbridge has a high level of educational attainment, there is concern nationally that the number of employment opportunities for those individuals who have recently completed a degree have significantly reduced which may lead to higher dependency on parents, for example, to support them whilst they seek employment.

An internal JCP document (Labour Market Bulletin for Redbridge 2010) showed that although the overall employment rate was 67.9% for the borough, the rate was 73.5% where ethnicity was stated as “white” but 63.7% where ethnicity was stated as “ethnic minority”.

Table 26 - Redbridge JSA Claimants by ethnicity

Month/year	Total claimants	% white	% ethnic minority	% prefer not to say	Unknown
Sep 08	4,555	35.23	54.33	7.9	2.52
Sep 09	7,315	36.43	54.27	6.76	2.52

According to the 2011 Census 42.5% of the population classify themselves as White, with 57.5% classifying themselves as from Black and ethnic minority groups. 16.4% of the population is Indian, 8.9% is Black, 11.1% is Pakistani and 5.7% is Bangladeshi.

⁸⁶ Source: Jobseeker’s Allowance by age and duration with proportions, NOMIS, December 2015

Barriers to Employment

DWP figures indicate that 8 400 Redbridge citizens were claiming ESA in May 2015, and those claiming, who are unable to work due to illness or disability, face barriers in accessing training and employment. More co-ordinated, joined-up help and advice will need to be provided to support ESA claimants into work and increase awareness and understanding of employee health issues amongst businesses and employers.

Childcare barriers are regularly cited by jobcentreplus clients as a barrier to both seeking and gaining employment. One of the reasons for this difference could be the fact that there are 32,900 women aged 16-64 that are economically inactive in the borough, who may have chosen to take care of their children themselves thus not requiring childcare provision (2014-2015).

The costs of childcare are likely to be a determining factor in women's decisions regarding returning to work following a period of maternity leave. Recent research by the Family and Childcare Trust indicates that the cost of childcare has increased at levels well above inflation and average earnings. A part time nursery place for a child under two years old increased by 33% over the last parliament⁸⁷.

Table 27 - Economically Inactive persons in Redbridge 2014-2015⁸⁸

	Number	Percent
Females who are economically inactive - aged 16-64	32,900	34.7
Economically inactive - aged 16-64	49,100	26.0

The Childcare Provider Survey on the Childcare Market details different statistics. There was a disparity between the views of childcare providers and members of the public regarding the amount of childcare provision locally, however the development of new childcare places should take into account existing childcare provision⁸⁹ The reason for the disparity in comments may be due largely to views on affordability. Although there is a large amount of provision across the borough, those seeking employment may be unable to find local provision that is affordable.

⁸⁷ Family and Childcare Trust: Childcare Costs Survey 2015, as cited in Redbridge Economic Strategy Baseline (2016)

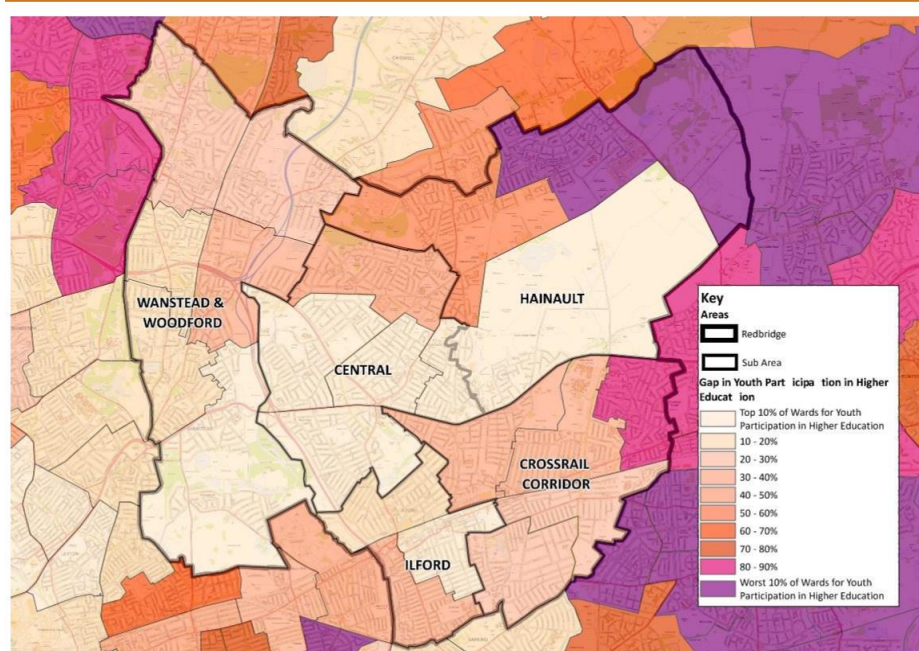
⁸⁸ NOMIS, Annual Population Survey 2015

⁸⁹ Childcare Provider Audit Questionnaires, October 2009

Education

Redbridge was rated one of the highest performing local education authorities in Britain by the Observer newspaper⁹⁰. The borough continues to promote education as a lifelong opportunity and invests in education facilities and programs for all its residents.

Figure 22: Participation in higher education⁹¹



Different services for career advice, support and guidance are available for young people aged 13 to 19 years old. Working together these providers offer information, advice and guidance about choice of career, employment and training, support with CVs and interview skills.

Skill Levels

The draft Employment, Skills and Enterprise Plan for Redbridge contains an assessment of the reasons people are out of work and this identified the level of skill as the major issue in accessing employment opportunities.

A key challenge for Redbridge is to increase the proportion of young people who achieve a level 3 qualification, who then go on to post-compulsory education and widening access to higher education for local residents generally.

⁹⁰ <http://www.guardian.co.uk/education/2007/oct/18/schools.uk2-> is there nothing more recent than this ?

⁹¹ Redbridge Economic Strategy Baseline (2016)

Table 28 - Skill levels as a percentage of the working age population (2014)⁹²

	Redbridge (%)	London (%)	Great Britain
Level 4+	45.0	49.1	36.0
Level 3+	61.6	64.7	56.7
Level 2+	72.9	76.4	73.3
Level 1+	81.8	84.2	85.0
No qualifications	8.9	7.8	8.8

Skills and qualification levels of population
Table 29 - Qualifications (2014)⁹³:

Individual levels	Redbridge (level)	Redbridge (%)	London (%)	Great Britain (%)
NVQ4 and above	84,800	45.0	49.1	36.0
NVQ3 and above	116,100	61.6	64.7	56.7
NVQ2 and above	137,400	72.9	76.4	73.3
NVQ1 and above	154,100	81.8	84.2	85.0
Other qualifications	17,600	9.3	8.0	6.2
No qualifications	16,700	8.9	7.8	8.8

The borough has a relatively highly skilled population. 45% of residents are qualified to NVQ Level 4 and above, equivalent to degree level. This is lower than the London average (49.1%), but higher than the national average (36%). However, it is noteworthy that this represents a significant reduction from 2013, when 49.2% of the population were qualified to NVQ Level 4 and above.

Despite the relatively high number of people with NVQ Level 4 qualifications, there are still high numbers of people in the borough with no qualifications. In 2014 8.9% of residents had no qualifications. Those with no qualifications had gone down considerably in 2013 to 6.8%, but 2014 saw the number increasing again⁹⁴.

There is an increasing need for collaborative working to ensure growing industries and sectors across the borough are identified and training and skill sets are matched to these growth areas and existing employment opportunities. In 2013, 24% of Redbridge employers reported skills gaps in their workforce.⁹⁵ Addressing the skills shortage will become increasingly relevant as the demand for higher skills is likely to grow.

It is now necessary to rethink the local Redbridge economy with the public sector, historically a major source of employment, as a marginal player and place a much greater focus on the local growth sectors.

Redbridge is experiencing increasing demand in personal care, residential and

⁹² Source: NOMIS – Labour Market Profile - Redbridge

⁹³ "Labour Market Profile – Redbridge," www.nomisweb.co.uk

⁹⁴ "Labour Market Profile – Redbridge," www.nomisweb.co.uk

⁹⁵ "LSCC June 2014 Skills Report," www.lsc.co

nursing care, civil engineering and construction, hospitality and entertainment and catering and we must ensure training providers are offering training appropriate to these growth sectors. The success of local sector strategies can give a significant boost to the local economy and the retail and business support services are experiencing growth in Outer London boroughs, such as Redbridge.

Feedback from businesses as well as employability support providers has asserted that many individuals seeking employment do not have the appropriate 'employability skills' to ensure recruitment success. These include time management skills, communication and presentation skills. Where many have been out of work for significant periods of time, or have not had relevant work experience, they are finding that despite reaching the interview stages of recruitment campaigns, they are not deemed 'job ready' by employers. Directly linked to this is the fact that many have lost confidence in themselves as a result of being unemployed for significant periods or for being deemed to lack the appropriate qualifications necessary for a particular job. There is therefore a need to improve employability skills training, as well as continue to work with those individuals who require additional confidence building.

Additional feedback from businesses has also made clear many individuals lack basic ICT skills, which are increasingly becoming a basic requirement of many employment positions. Although there are a variety of providers of ICT training within the borough, many are costly or at inconvenient times, especially for parents. More training providers are beginning to offer free basic ICT skills certificates, however as yet, there is little evidence of the take up or impact of this.

ESOL Needs

As previously mentioned a large proportion of the Redbridge population were born outside the UK and are therefore likely to have a first language other than English. There continues to be high demand for language and literacy support and ESOL classes. There is a need for greater partnership working to ensure adequate ESOL provision is available and appropriately targeted in order to address language barriers. Currently, demand for ESOL classes is outstripping supply and population growth, increasing diversity and insufficient funding for courses is likely to further exacerbate this issue. It is also of note that many ESOL courses have eligibility restrictions and are fee-paying, which may prevent certain individuals from accessing this support.

65% of primary school students and 57% of secondary school students in the borough are known or believed to have a first language other than English (2015). This compares to 59.4% of primary school students and 50.9% of secondary school students in 2010⁹⁶.

Well configured job-focused language services would need to differentiate between three broad categories of recent arrivals who have quite different work-related needs: highly skilled people whose poor English prevents them working in their previous occupation or profession; very low or unskilled people, especially women, with little or no English; younger migrant workers, particularly from Eastern European countries, who are prepared to work in a wide range of jobs.

⁹⁶ "Percentage of Pupils by First Language," www.data.london.gov.uk

Languages⁹⁷

Redbridge residents speak a large number of different languages. A total of 119 identified languages (other than English) were spoken by pupils in primary, secondary and special schools in Redbridge in 2010. Urdu was the most common language spoken in 2010, with 4555 speakers (19.8% of EAL pupils). Other commonly spoken languages included Panjabi (3163 pupils or 13.7% of EAL speakers), Bengali (2992 or 13.0%), Tamil (2246 or 9.7%) and Gujarati (2004 pupils or 8.7%).

The actual number of languages spoken may be higher than this as there were 896 pupils identified as EAL but without a language specified. The number of pupils shown as speaking an unidentified non-English language varied widely between schools and may decrease in the future.

Sustainable Economic Growth

Development and regeneration

New development and regeneration in Redbridge is primarily focused on Ilford Town Centre, with the area soon to be the subject of a number of changes, developments and improvement plans. These will include new housing development and public realm improvement works and are designed to improve the overall appearance of the area, but will also increase the potential for additional high quality housing, retail and leisure developments and ultimately transform Ilford into a destination of choice.

Ilford Housing Zone

Ilford has been confirmed as one of the Greater London Authority's Housing Zones; an initiative designed to promote housing development in London and improve town centres. This is expected to trigger investment for around 2 000 new homes in the area over a six year period, subsequently helping to create a sense of place in Ilford, increasing the area's overall desirability and helping to attract further investment and development. A mix of housing tenures is being sought, including homes for sale, private rent and affordable housing. The development could support up to 4,000 jobs and 150 apprenticeships in the construction supply chain, with potential for around 300 construction jobs and 20 apprenticeships to be created each year in Ilford for the next 5 years and the Council will also be working closely with contractors to ensure a local dividend in terms of associated employment.

It will be important to consider the long-term impact that such housing development and the subsequent population growth will have on local infrastructure and service demand and ensure we have appropriate provisions in place and are able to respond accordingly.

Crossrail

Crossrail will be arriving in Redbridge in 2018, which will mean a series of improvement works and upgrades to four of the borough's stations. This will further enhance Redbridge's excellent transport connectivity and improve the landscape of the stations and surrounding areas, but will also create the potential to attract new investment and improve the area's economy in the long-term. Steps will be taken to improve the integration of the town centre with investment to renew the public realm, tackle congestion and calm traffic as well as improving access to Ilford Station from York Road and Ilford Hill. Again, the Council will also be working closely with Crossrail and the relevant contractors

⁹⁷ 2010 Local School Census

to ensure a local dividend in terms of associated jobs and apprenticeships

The Redbridge Economic Strategy Baseline (2016) concludes that Crossrail will be an asset to the borough, although the benefits will not be universal. Indeed, it is thought that the new link will benefit only a small number of key locations, particularly Ilford. The construction of the line will provide benefits in terms of training at the Tunnelling and Construction Academy, which will help to strengthen and distinguish the skills and employment offer of the borough.

With regards to early impacts of Crossrail, the Redbridge Economic Strategy Baseline provides mixed findings with regards to the impact on residential property values. Values across the borough as a whole increased over the past 10 years by 52%, while values at the areas to benefit from Crossrail Stations have increased at lower rates (Ilford 50%; Seven Kings 32%; Chadwell Heath 49%; and Goodmayes 38%). Commercial rents around the Crossrail Stations have not increased significantly over the past ten years; rents in Ilford have increased by 12%, while rents in Seven Kings and Chadwell Heath have remained broadly unchanged.

Business Improvement Districts

Redbridge has two BIDs, located in Hainault and Ilford, and in their first terms they both delivered over £3 million of investment into their respective areas improving safety, promotion and creating more welcoming and vibrant environments. Ilford BID currently brings in around £425 000 of investment per annum. Both have secured second terms and Hainault is re-balloting for a third term which if successful will run from April 2016 to March 2021.

The Council needs to ensure that any regeneration or development work is securing maximum local benefit. The future of Redbridge's town centres should be considered as there is a growing need for a diversification of activities in town centres nationwide; with the general public wanting retail alongside leisure. They need to be attractive, safe, accessible places with "unique" activities⁹⁸.

Redbridge has a Community Infrastructure Levy (CIL), which charges developers on most types of new buildings in the borough. The Council allocates 15% of CIL money to local projects. In this way money is raised from development to help the Council pay for schools, leisure centres, aged care accommodation, roads and other facilities to ensure the borough grows sustainably. CIL replaces the section 106 "tariff" which has previously been used for this purpose.

⁹⁸ "Further alterations to the London Plan March 2015," www.london.gov.uk

4 Shaping the Future Economy

4.1 Continuous Change

Economic conditions change continuously and past trends are not necessarily a guide to the future. This chapter looks at the major factors which could shape the economic fortunes of Redbridge in the future. It concludes with a brief summary of the key economic strengths and, weaknesses of the borough and the opportunities and threats it faces in the future.

4.2 Recovery from the Recession

At time of writing, the UK had achieved continuous GDP growth in every quarter from the last quarter of 2009 onwards. Global stock markets were also rising and the worst of the global financial crisis appeared to be over. However, the strength of the recovery remains problematic and indebtedness of a number of EU countries (principally Greece) continues to weigh down currencies and European financial markets. The Chinese economy has also slowed significantly in recent months and economists express concern that this may have on the global economic outlook. The fall in oil prices, although giving a boost to consumers in the short term, has had a significant impact on the commodities sector.

The International Monetary Fund predicts global growth for 2015 at 3.1 percent, 0.3 percentage points lower than in 2014, and 0.2 percentage points below the forecasts in the July 2015 World Economic Outlook (WEO) Update^{99/100}. In the United Kingdom, termed an “Advanced European Economy”, growth for 2015 is projected at 2.5% and 2.2% in 2016.

In advanced economies growth is generally expected to be solid, but weaker than in 2014. The United Kingdom is expected to experience continuing steady growth, supported by lower oil prices and continued recovery in wage growth. GDP expanded at an annualized rate of 2.25% in the first half of 2015, with the unemployment rate now back near its pre-crisis average of about 5.5%¹⁰¹. Monetary policy normalization in the UK is projected to begin in 2016 (consistent with market expectations) without large and protracted increases in financial market volatility or sharp movements in long-term interest rates.

This has direct consequences for all local authorities and their ability to deliver services and infrastructure (see below for discussion of the capital funding needs of Redbridge). This situation is especially dangerous for Redbridge because local job creation is so heavily dependent on public spending. As discussed in chapter 3, the public sector has been the mainstay of job creation in Redbridge over the last decade. If this source of new jobs dries up or should the local public sector workforce actually contract, it will pose a major challenge for the borough. The Borough must therefore respond to emerging growth sectors and ensure people are suitably qualified.

4.3 Competition within the Sub-region

The East London sub-region is subject to major investment associated with the Thames Gateway. Of prime importance to Redbridge is the ongoing development of Stratford City.

⁹⁹ Imf World Economic Outlook (WEO): Adjusting to Lower Commodity Prices, October 2015.

¹⁰⁰ Ibid. Page 54

¹⁰¹ Ibid. Page 54, Table 2.4

The Westfield shopping mall which completed at Stratford in 2011 is the largest urban shopping centre in Europe with 177,000 square metres of floor space and includes over 300 stores, 12 cinema screens, two hotels and 5,000 car parking spaces.

Stratford City is also planned to host 465,000 square metres of new office development. By comparison, the total gross office floorspace required in Redbridge between 2007 and 2031 is estimated to be just 23,680 square metres¹⁰². There is some doubt that the full extent of office development will be realised at Stratford, but only because other office mega-schemes are under construction at Canary Wharf or planned at Wood Wharf and Greenwich Peninsula¹⁰³.

High population growth and real growth in expenditure creates demand for new retail and leisure space. By 2030, there is forecast to be demand for at least 23,911m² of new comparison retail floorspace and 8,562m² of retail convenience floorspace (retail capacity assessment 2015), that will also need to be supported by new leisure uses to ensure a diverse mix of uses and enhance town centre vitality. In addition to scale, new retailing in particular will need to respond to the changing ethnic mix in LBR.

Government Policy on Office space

Iford faces an ongoing issue with an oversupply of “low grade” office space. The area has too much low quality office space, which is often left vacant and only capable of generating low rents. This simultaneously puts off businesses from setting up in the area and potential developers from creating new, purpose-built, more desirable office accommodation. It is noteworthy that the projected demand for new office space in Iford is in negative figures, which contrasts with many other areas of the borough¹⁰⁴.

Iford needs an appropriate office space strategy to ensure potential investors to the area are encouraged to develop new office space and reconfigure existing space so that that it is appropriately aimed at prevailing working approaches (e.g. incubator units and flexible workspace), which should be done in conjunction with increasing work to support local businesses. Crossrail could deliver opportunities for increased take-up of office floorspace by improving accessibility, but this is likely to be concentrated within close proximity to Crossrail stations.

The Council should consider how it might best facilitate joined up working between key stakeholders including the planning department and developers wherever possible to safeguard business property and ensure supply meets demand and projected future demand. Permitted Development Rights which allow the conversion of office floorspace to residential risk further exacerbating this issue.

As well as improving its retail offer, the East London SRDF¹⁰⁵ suggests that Iford will have to reinvent itself as a leisure and evening economy oriented destination if it is to successfully respond to the growth of Stratford.

¹⁰² Ibid. Pages 53 and 59.

¹⁰³ London Office Policy Review. Radimus Consulting, November 2009. Page viii.

¹⁰⁴ Retail, Leisure and Office Demand Study for London Borough of Redbridge

¹⁰⁵ Sub-regional Development Framework East London. Mayor of London. Map 2006. Page 48.

BIDs

The borough hosts two Business Improvement Districts (BIDs) at Ilford and Hainault Business Park. These are geographical areas in which the local businesses have voted to invest collectively to improve their environment and come with a number of business benefits. They work on behalf of businesses in the area to create an attractive, welcoming, vibrant and economically successful trading area.

Redbridge has a Community Infrastructure Levy (CIL), which charges developers on most types of new buildings in the borough. The Council allocates 15% of CIL money to local projects. In this way money is raised from development to help the Council pay for schools, leisure centres, aged care accommodation, roads and other facilities to ensure the borough grows sustainably. CIL replaces the section 106 “tariff” which has previously been used for this purpose.

Consequently, competition within the sub-region is likely to grow sharper and it is unrealistic to expect any “big bang” office or retail investment which will transform the economic future of Redbridge. However, while Ilford may be overshadowed by Stratford in relative terms, there are still prospects for modest growth of non-housing sectors, especially where retail or commercial development can be attracted as part of mixed-use developments led by new housing.

Crossrail

The arrival of Crossrail in 2019 will change economic conditions in other ways. As well as improving rail capacity and speed, Crossrail will provide London’s first ever direct east - west connection without the need to change modes of transport through the central London bottleneck. As such it will help break down London’s historic longitudinal divide.

It will allow Redbridge residents to more easily access large pools of jobs in places such as the West End and Heathrow. The estimated journey time from Ilford to Heathrow will be 58 minutes. It may stimulate more local employment if highly accessible sites around the Redbridge Crossrail Stations can attract some new office investment.

Better access is a two-edged sword. Crossrail may also increase the leakage of retail spending from Redbridge to other centres along its route.

Crossrail will also result in direct investment in Redbridge, including a refurbished Ilford Station and conducting major upgrades of the other mainline stations at Goodmayes and Chadwell Heath. As long as the Ilford Station works are properly coordinated with Council and TfL plans to create a new bus interchange and the arrival of the Mayor’s Cycle Superhighway¹⁰⁶, Crossrail will transform this gateway to Ilford and much of Redbridge, providing a greatly enhanced interchange facility that will be good for existing business and attractive to inward investors.

The Area Action Plan boundary encompasses the area running from the eastern edge of Ilford Metropolitan Centre, along the High Road, through Seven Kings, Goodmayes and Chadwell Heath Town Centres to the Borough boundary in the east. All three of these stations (Seven Kings, Goodmayes, Chadwell Heath) are on the proposed Crossrail route.

4.4 The Local Plan - Strategic Context

Spatial Issues

The future spatial distribution of growth and economic development within Redbridge is currently guided by the Council's Core Strategy. This key planning document aims to concentrate most development on the borough's hierarchy of town centres, led by Ilford as the only Metropolitan Centre and by far the largest town centre in the borough and followed by the District Centres of Barkingside, Gants Hill, South Woodford and Wanstead. The Local Centres of Woodford Broadway/Snakes Lane, Woodford Bridge, Manford Way, Seven Kings, Goodmayes, Ilford Lane and Newbury Park are intended to provide for local retail and community needs. In terms of housing, the Core Strategy aims for new development to be distributed as follows¹⁰⁷:

- 35%-50% within Ilford Metropolitan Centre
- 15%-25% in the District and Local Centres
- 25%-35% throughout the rest of the borough

The Council chose this pattern as the most sustainable approach to growth because:

- The town centres enjoy the best transport connections and thus are the best locations to concentrate jobs, services and community facilities.
- It minimises the need for higher densities or inappropriate development in the residential areas where there could be conflict with their established suburban character.
- It preserves the extensive areas of Green Belt, open space and areas of nature conservation value that are critical to the borough's environmental quality.

One qualification needs to be made in respect of the borough's eight designated Business Areas. Two of these (Hainault Business Park and Southend Road) are designated Strategic Industrial Locations under the London Plan and thus safeguarded for industrial uses.

Industrial uses in the remaining Business Areas are protected by LDF policy, although mixed-use schemes are permitted. However, some of these Business Areas suffer from high vacancy rates and the London Plan states that (apart from the Strategic Industrial Locations) Redbridge is a borough where "managed release" of industrial land to other uses is appropriate over time¹⁰⁸. At least one such Business Area at Chadwell Heath (Grove Farm) is effectively making that transition now and if the long-term decline of industrial employment continues in time other areas may follow suit.

Rapid population growth and the introduction of the National Planning Policy Framework (NPPF) have made it necessary for the Council to embark on a new Local Plan to replace the Core Strategy and other LDF documents.

¹⁰⁷ Core Strategy Development Plan Document. London Borough of Redbridge, March 2008. Strategic Policy 7, Page 26.

¹⁰⁸ London Plan. Subregional Development Framework. East London. GLA. May 2006. .

The emerging plan identifies Ilford, Crossrail Corridor, Gants Hill, South Woodford and Barkingside as the boroughs main “Investment and Growth Areas” where new homes, jobs, shops, and supporting infrastructure will be targeted. This includes provision for some development of land previously designated as Green Belt that no longer meets the core purposes of such a designation. Wanstead is no longer earmarked for major growth despite its accessibility, on account of the need to be sensitive to existing character.

In terms of designated Business Areas, the emerging policy position is for intensification through increased provision of fit for purpose B1 space. In locally designated sites this could be as part of mixed use schemes, whilst in SIL it would be through re-categorisation from Preferred Industrial Locations to Industrial Business Parks (a sub-category of the SIL designation; meaning they would still be protected from any residential development).

Housing Supply and Infrastructure

New built development in Redbridge is dominated by residential and it is likely that this remains the main source of development pressure. The Redbridge Core Strategy has a target to deliver an average of 905 homes per year up to 2016. Revisions to the London Plan have resulted in increased borough targets of 1,123 homes per annum, and local evidence of even greater levels of housing need means the borough should exceed this target, as set out in the emerging Local Plan.

Simply building homes for a growing population is only half the story. In order to ensure that continued housing growth is sustainable, the Council and its partners must also be able to deliver adequate infrastructure to ensure that the availability and quality of community services and facilities is maintained or improved. The Redbridge Community Infrastructure Plan (December 2009) estimates the amount, costs and sources of funding for many types of community infrastructure needed to support housing growth in Redbridge until 2017. The key findings in relation to identified need are shown in Table 30:

Table 30- Cost of community infrastructure to support growth in Redbridge to 2017 (including cost of facilities and land)¹⁰⁹

Type of Facility	Cost to provide for future need (£million)
London Borough of Redbridge Responsibilities	
Early Education (1 Children's Centre)	1.0
Primary Schools (4.5 x 4FE)	69.6
Secondary Schools (Academy + 1X6FE +	96.4
Transport (range of improvements)	10.1
Leisure Centres (1 centre: 25m pool & 8 courts)	15.8
Libraries (modernize facilities)	0.7
Open Space (quality improvements to 54 ha)	5.4
Sub-Total	199.0
NHS/PCT Responsibilities	
11 GPs, 392m2 specialist care, 50 hospital	21.9
Learning & Skills Council/Further Education Providers' Responsibilities	
1,286 Further Education Places	6.9
Total	227.8

The Council's capital funding position is currently heavily constrained. This is unlikely to change for the foreseeable future, given pressure to limit Government spending in the aftermath of the global financial crisis. If the Council is to deliver the required community infrastructure without raising Council Tax to unacceptably high levels, then significant additional funding streams will have to be found.

Economics and sustainability

"There is a danger that the low carbon economy is viewed as separate from the rest of the economy when, to meet challenging carbon reduction goals and remain competitive, the whole economy will need to become low carbon".
London Assembly, July 2009

Environmental implications and sustainability will play a large part in shaping the future economy:

- **Sustaining growth and managing risk** – ensuring continued supply of energy, raw materials for production; waste disposal; a workable/liveable environment; climate change adaptation and business continuity
- **Improving efficiency and cutting costs** – rising energy costs and alternative sources of energy, energy efficiency, and 'greener' (money-saving and money-making) practices
- **Competitiveness** – green accreditations, positive publicity, green awards, and meeting customer demand
- **New market opportunities** – growing low carbon market, green leisure opportunities, and new transport hubs/ connections

¹⁰⁹ Source: Redbridge Community Infrastructure Plan 2007-2017. December 2009.

For the economic growth of the Borough to be sustainable, environmental impacts need to be considered. The Redbridge Environmental Action Plan (REAct) is a Borough-wide strategy that sets out how the Council and its partners will achieve a cleaner, greener and more sustainable Redbridge. It includes key environmental aims and targets and how the Council and its partners will work together to meet them.

Competitiveness

There are considerable economic benefits associated with good local environmental quality. Benefits include:

- Attracting more customers and increased consumer spending
- Increased investment in local business
- Improved image of businesses
- Better retention and recruitment of staff
- Increased tourism

Managing risk: climate change

In order to prevent the worst scenario and the most severe impacts of climate change, emissions need to be brought down to the level that balances the Earth's natural capacity to remove greenhouse gases from the atmosphere. The Stern Review estimates the annual costs of stabilisation at 500-550ppm CO₂e to be around 1% of GDP by 2050. The review indicates that in the absence of action to control emissions, the overall costs and risks of climate change will be equivalent to losing at least 5% of global GDP each year into perpetuity. If a wider range of risks and impacts is taken into account, the estimates of damage could rise to 20% of GDP or more¹¹⁰.

Redbridge has an estimated 139 commercial properties located in flood risk zones¹¹¹ and potentially vulnerable to flooding. An increase in extreme weather events would have an economic impact on local business, both in terms of sales and productivity. For example, non-fashion retail sales can fall by circa 14% nationally during summer heatwaves.

The Council may wish to consider carrying out a comprehensive risk assessment to ensure that appropriate steps are taken to adapt to any high-risk impacts and minimise their impact on the local economy

¹¹⁰ Lord Nicholas Stern, The Stern Review: The Economics of Climate Change (2006) Executive Summary

¹¹¹ Redbridge GIS Team estimation, Planning and Regeneration

Energy supply and renewable energy

Rising energy costs are likely to have a negative impact on Redbridge businesses. Industrial sectors likely to be hardest hit are transport and manufacturing (July 2008)¹¹². More energy efficient production methods will be encouraged by higher energy prices. Sales of high-fuel consuming cars may fall as consumers shift to cars that consume less fuel.

'Greener' business

'Greening' business has a positive economic impact. ISO 14001 is an internationally recognised series of international standards for effective environmental management that covers every aspect of how an organisation operates. The potential positive commercial and financial benefits to companies who employ an ISO 14001 certified system are well documented.

Building a low carbon economy

There is an opportunity to develop a low carbon business sector in Redbridge through the encouragement and support of entrepreneurial enterprises and the expansion of existing industries, particularly in the construction and manufacturing sectors. In 2009, there were 75 companies that produced low carbon goods or services¹¹³. The estimated combined turnover of these companies in 2008/8 was £267.4 million and the number of jobs equivalent was estimated as 1,774.

Table 31 - Redbridge Low Carbon Sector breakdown (LDA definition)¹¹⁴

Sector	Sub-sector/Level 2	2008/9 turnover	No. of companies	No. of jobs equivalent
Environmental sub sectors	Consultancy and education	3.3	0	13
	Recovery and recycling	53.1	8	240
	Waste management	4.1	1	84
	TOTAL	60.5	9	337
Low Carbon Sub Sectors	Additional energy sources	3.8	0	31
	Alternative fuels	20.1	7	233
	Building technologies	20.2	7	197
	Energy management	16.1	0	5
	TOTAL	60.2	14	466
Renewables sub sectors	Biomass	23.9	1	89
	Geothermal	25.5	4	163
	Hydro	11.8	0	28
	Photovoltaic	25.6	1	96
	Renewable consulting	2.6	0	4
	Wave and tidal	33.9	0	0
	Wind	19.7	46	567
	TOTAL	143	52	947
Other	Technologies, research and development	3.7	0	24
	TOTAL	267.4	74	1,774

¹¹² GLA, Rising energy prices and their effects on environmental behaviour (July 2008)

¹¹³ Innovas Ltd (2009) for LDA, Greening Expectations: London's Low Carbon Job Prospects (September 2010)

¹¹⁴ Innovas Ltd (November 2009)

A local low carbon economy offers the potential for unemployed Redbridge residents to acquire new skills and gain employment in this growing sector. While the majority of jobs will be higher skilled, around 1 in 3 jobs will require a Level 2 qualification or below. In 2009/10, approximately 10,000 learners started Further Education courses relevant to 'low carbon' in London: none of these courses were available in Redbridge. Redbridge colleges should be encouraged to run courses and modules that relate to the low carbon sector and raising awareness of low carbon jobs in secondary schools should be considered.

Buildings and transport hubs

Locating new buildings near public transport hubs is essential in encouraging use of sustainable means of travel, reducing emissions from private vehicles and reducing congestion. The Crossrail Corridor is an opportunity area for new development and the proximity to the fast-rail link should encourage greater use of public transport. The Council has adopted a Cycle Strategy for the Borough to encourage commuting by sustainable means.

Redbridge is well connected to surrounding boroughs and central London. However, public transport links within the Borough, particularly North to South, could be improved to encourage a reduction in private vehicle use and carbon emissions. Greater North-South links would also encourage greater economic development in the North of the Borough as well as increasing local employment opportunities.

Green leisure opportunities

The aim of the Mayor of London's 'Green Grid' is to create a network of interlinked, multi-functional and high quality open spaces that connect with town centres, public transport nodes, the countryside in the urban fringe, the Thames and major employment and residential areas. Redbridge has some key strategic green spaces that could be incorporated into the Green Grid and bring more people into the borough and investing in our services and leisure facilities. These include Fairlop Waters Country Park, Valentines Park, Hainault Forest Country Park, and Wanstead Park.

Importance of Local Environmental Quality

The natural environment plays an important role in supporting economic activity. It provides resources and raw materials, such as water, timber and minerals, as inputs for the production of goods and services (sometimes known as sources). It contributes indirectly through services provided by ecosystems, such as carbon sequestration, water purification, managing flood risks, and nutrient cycling (sometimes known as sinks).

Land

Land use in Redbridge is predominantly urban. Parks and Open Spaces cover 45.03% of the Borough and include 35 Sites of Importance for Nature Conservation, half of which are 'managed positively for nature conservation'. The Green Flag Award recognises green spaces where the environment is of a high quality and well managed, and where all members of the community have access. 3 green spaces in Redbridge were awarded a Green Flag in 2010: Hainault Forest Country Park, Valentines Park and Elmhurst Gardens, all of which are operated by the Council in collaboration with 'Friends of' parks groups.

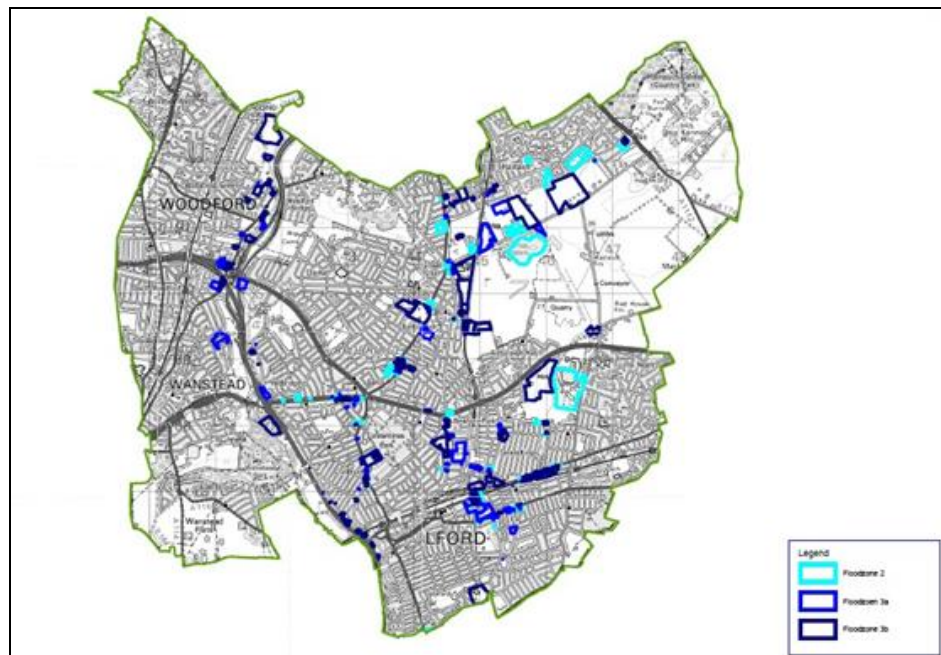
Water and flooding

The River Roding and, to a lesser extent, Seven Kings Water are the principal watercourses in Redbridge. Under the Water Framework Directive (WFD), the Roding has been classified as having poor ecological status, and the Seven Kings Water has been classified as moderate ecological status. They need to achieve good ecological potential by 2027.

In Redbridge there were 3,086 properties registered to receive flood warnings as of June 2010. Of these, 784 properties were identified by the Environment Agency as being in areas of flood risk. Economic development and housing growth is strongly discouraged on flood plain under Government Guidance (National Planning Policy Framework). Sustainable Drainage Systems (SUDS) should be further encouraged through the planning process.

Redbridge has an estimated 139 commercial properties located in flood risk zones¹¹⁵ and potentially vulnerable to flooding. The zones relate to risk from either fluvial or surface water flooding.

Map 1: Commercial premises located within flood risk zones



Air

There has been a slow decline in the Borough's air quality in recent years. Of the four recording stations, the average reading for oxides of nitrogen (NOx) was 46.3 $\mu\text{g}/\text{m}^3$ in 2009, 46.8 in 2010, and 47.2 in 2011. Readings for 2012 and 2013 are only available for 2 of the 4 stations and do not therefore provide meaningful comparisons to the previously stated figures. The average reading for 2012 was 42.6 and 40.2 for 2013¹¹⁶. These readings are all above the 40 $\mu\text{g}/\text{m}^3$ which is considered acceptable for human health. It should be pointed out that the readings are mostly taken along busy roads and often reflect through traffic such as on the A406 (north circular), M11 and A12.

¹¹⁵ Redbridge GIS Team estimation, Planning and Regeneration

¹¹⁶ 2014 Air Quality Progress Report for London Borough of Redbridge, February 2015

The Borough of Redbridge is a low emission zone (LEZ), a Transport for London (TfL) allocation that sets emissions standards for diesel vehicles entering or driving in Greater London. The LEZ commenced on 4 February 2008 and applies to vehicles over 3.5 tonnes and buses and coaches over 5 tonnes with more than eight seats, plus the driver's seat. Failure to comply with the standards currently results in financial penalties.

The low emission zone charge has a potential financial impact. The businesses most affected by the LEZ are the smaller and marginal operators (for all the four vehicle types identified)¹¹⁷. Many of these are owner-operators where the management of the vehicle fleet may be only one small aspect of running their business. Many of these operators would be unlikely to have formulated 'fleet management strategies' and may not have either the awareness, skills or funding to develop an efficient response to the scheme.

Carbon emissions

Redbridge has one of the lowest carbon footprints of all London boroughs. It also has a relatively low industry base compared to other London boroughs.

The Council should continue to include and develop effective energy efficiency and sustainability criteria in their procurement process. A carbon Reduction study at the Borough-wide level, the study found that carbon emissions have already been reduced by 11% (2005-2012). New development is however projected to increase emissions by 3% between 2012-2020. National action (particularly the decarbonisation of the electricity grid) is expected to reduce emissions by 8.5 % during the same period, with regional initiatives (transport decarbonisation) reducing emissions by a further 1.5 %. The net reduction from previous actions and those proposed at a national and regional level is therefore 18 % by 2020 from a 2005 baseline.¹¹⁸

Waste

The recycling and composting rate in Redbridge ranks 23rd out of all London boroughs. This falls within the 3rd quartile¹¹⁹.

The Redbridge Economic Strategy Baseline (2016) indicates that waste management and recycling will be key services required across London which continue to grow. These services will be increasingly squeezed out from inner London boroughs over the next decade, which could create an opportunity for Redbridge to build on its strengths in this sector¹²⁰. Growth in employment in the sector has increased by 128% over the period 2009 to 2014.

Environmental Cleanliness

Business Improvement Districts (BIDs) in Redbridge have tackled environmental cleanliness. Hainault Business Park BID has, in partnership with Redbridge Council, tackled fly-tipping, abandoned vehicles, and repaired broken walls and fencing.¹²¹ Support for the BID is very high: 93% of survey respondents favour the continuation of the BID for a further five-year term. Nearly every respondent was positive about BID management: 96% said that

¹¹⁷ TfL, Proposed London Low Emission Zone- Economic And Business Impact Assessment (Nov 2006)

¹¹⁸ London Borough of Redbridge, Annual Monitoring Report, 2013 - 2014

¹¹⁹ CRC annual report publication: 2013 to 2014

¹²⁰ Redbridge Economic Strategy Baseline (2016)

¹²¹ The Mackinnon Partnership, Hainault Business Park Pre-Ballot Questionnaire: Report to the London Borough of Redbridge and Hainault Business Park Ltd (August 2010)

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they were either “very satisfied” (65%) or “satisfied” (31%) with current BID management. 75% are in favour of a paid management structure to the BID. The BID projects attracting the highest satisfaction are those related to security, signage and recycling.

4.5 Strengths, Weaknesses, Opportunities and Threats

The economic strengths and weaknesses of Redbridge and the opportunities and threats facing the borough may be summed up as follows:

Figure 18: SWOT analysis

Strengths	Weaknesses
<p>Well educated workforce founded on strongly performing local schools</p> <p>Good transport connections (especially to central London)</p> <p>Strong residential growth</p> <p>Strong network of town centres and Ilford has sub-regional economic “clout”</p> <p>Good rates of small business formation</p> <p>Two Business Improvement Districts (BIDs)</p> <p>Redbridge Business Network</p> <p>Profitable green spaces</p>	<p>Declining local employment base</p> <p>Over-reliance on public sector for job creation</p> <p>Success is “patchy” – some parts of Redbridge have lower levels of education and workplace skills</p> <p>Local economy fairly self-contained and not export-oriented</p> <p>High Levels of UE, particularly in the South of the Borough</p> <p>Lack of inter-borough (North-South public transport links</p> <p>Retail sector does not include leading quality retail operators</p> <p>Decentralised decline in manufacturing base has led to a shortage of employment land.</p>
Opportunities	Threats
<p>Crossrail and Crossrail Tunnelling academy</p> <p>Retail diversification/leisure economy</p> <p>Product differentiation for key town centres (especially Ilford)</p> <p>Modest retail and office growth</p> <p>Low Carbon economy/’green’ jobs</p> <p>Renewable energy feed-in tariffs</p> <p>Green Investment District</p> <p>Mayor of London’s Green Grid</p> <p>Provide back office support to Canary Wharf/ Central London</p>	<p>Reduction of London’s weight as an international financial centre</p> <p>Reduced Government spending</p> <p>Lack of money/land for community infrastructure/funding cuts</p> <p>Growth of Stratford and other competing centres</p> <p>Carbon Reduction Commitment</p> <p>Rising energy costs</p> <p>Increased growth vs. environmental impact</p> <p>Climate change impacts</p>

5 Policy Directions

5.1 A sustainable pattern of development

Redbridge has historically been a dormitory borough to some degree, with nearly two thirds of employed Redbridge residents working outside the borough. While the borough's access to the central London jobs market is one of its strengths, Crossrail offers opportunities for Redbridge to promote a more sustainable pattern of development by facilitating appropriately configured business space for small and start-up businesses. The borough also needs to reduce reliance on public sector jobs due to their long term vulnerability, which the improved attractiveness of the area could help to facilitate.

Wholesale and retail trade, financial and professional services and public sector jobs are the mainstays of employment today. For Redbridge residents who work outside the borough, financial and professional services and public sector jobs are relatively more important. Within Redbridge, employment in the retail and wholesale trade overshadows the financial and professional services sector, but the contribution of both these sectors to employment within the borough has fallen. However, the borough is located within a strategic position with the Thames Gateway and London-Stanstead-Cambridge corridor, offering opportunities to be a key employment hub, attracting works from both within Redbridge and from along the Crossrail corridor. There is evidence of strong entrepreneurial spirit in Redbridge with growing numbers of business start-ups and microbusinesses, which is likely to increase when Crossrail services commence. Businesses continue to move eastward as a result of increased occupancy costs in the central boroughs.

Strategic Industrial Locations in the borough are functioning well, with good occupancy rates and relatively high employment. The town centres are also faring well in comparison to other areas and the main town centres anticipate continued improvement as a result of Crossrail services, which will speed up access from neighbouring areas.

The emerging Local Plan seeks to capitalise on the factors above and to provide a clear direction of where future growth will be focused in the five growth and investment areas.

5.2 The Council's Role

As is apparent from the preceding chapters, the economic future of Redbridge is being moulded by national and international forces, many of which are beyond the control of any local authority. Nevertheless, the Council is able to influence economic conditions in Redbridge in a number of important ways:

1. **As an economic player in its own right:** The Council is both the largest employer and a major land-holder in the borough. Council purchases of supplies and out-sourcing of contracts help support many local businesses.
2. **Fiscally:** By setting the level of Council Tax and Council fees and charges for other services and facilitating business growth by re-gearing the level of business rates now permitted by granting of more local control by the Treasury.
3. **Shaping the environment:** By street works to improve transport and improve public safety; ensuring waste is collected, and the borough is clean etc.

4. **Investing in human “capital”:** Such as schools and other educational and training facilities and services; affordable housing; providing leisure facilities and parks and gardens for recreation.
5. **Managing development:** By making land available for development; ensuring buildings are sound and environmentally sustainable; processing development applications.
6. **Transport:** By owning a number of key roads and controlling parking arrangements across the borough.
7. **Leading and promoting the borough:** In partnership with the business community and public sector organisations to attract inward investment and foster regeneration .e.g., Redbridge council is working with London Small Business Centre and Enterprise for London to support SME’s; North East London Strategic Alliance and London Stanstead Cambridge Consortium and Redbridge Chamber of Commerce.

5.3 Policy Responses

There is no such thing as a self- contained “Redbridge economy”. Along with the other outer northeast London boroughs, Redbridge does not have a self-contained labour market or discrete local economy. It is heavily integrated into the wider London economy and in particular helps provide a skilled labour force to inner and central London boroughs which themselves are heavily tied into the international economy.

This is undoubtedly one of the borough’s great strengths. Jobs in central London are typically better paying and the wards with the greatest proportion of people working in central London are on average less deprived and have better educated residents with lower rates of unemployment. The policy responses, which flow from this view, are largely about equipping people to access opportunities and to deal with change:

- Providing children with the best possible education to maximise participation in the knowledge economy.
- Providing adults with good vocational training geared to available employment.
- Providing employees with efficient transport to workplaces (inside or outside the borough).
- Providing businesses with a flexible regulatory environment to help them adapt to changing competitive pressures and market opportunities.

Local businesses are also likely to benefit from emerging Local Plan policies aimed at:

- Harnessing growth and achieving sustainable patterns of development by focussing new development in the borough’s Investment and Growth areas of Ilford, Barkingside, Crossrail Corridor, Gants Hill and South Woodford.
- Increasing the capacity, quality and density of the borough’s Strategic Industrial Locations.
- Enabling new and emerging businesses in sectors that are projected to expand in the future.

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- Improving existing employment land to ensure they are attractive to regional, national and international investors.
- Encouraging and maintaining an appropriate mix of town centre uses
- Equipping local people with the skills they need to capitalise on new opportunities through training.
- Promoting inward investment and opportunities identified through improvements to public transport.

The borough should aim to maximise the number of jobs available to residents to avoid the need for seeking employment elsewhere, thus improving sustainable land use and generating local growth. Although many residents are attracted by high levels of remuneration at financial and business services of central London, attracting new businesses to the borough could provide an alternative. The borough could then address the likelihood of a reduction in out-workers reducing average income per head.

While some residents will choose to shop outside the borough, rather than in Ilford or one of the other town centres, the good accessibility of Redbridge brings many advantages. By focusing growth in the town centres including Ilford, the retail offer will improve, generating a critical mass of retailers that is capable of retaining existing users, attracting new customers who currently use other centres, and enhancing attractiveness to business providers.