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Redbridge Economic Strategy Development - Baseline

A Report by Regeneris Consulting

London Borough of Redbridge

Redbridge Economic Strategy Development - Baseline

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1. Introduction

1.1 The London Borough of Redbridge is developing a new economic strategy that will set out a clear and ambitious vision for growth, building on key assets and opportunities. These notably include the Ilford Housing Opportunity Zone, the opening of new Crossrail stations in the borough and the strategic location of the borough close to major transport links and at the border of two major growth areas in London – Thames Gateway and the London-Stansted-Cambridge Corridor.

1.2 A Local Economic Assessment has recently been undertaken for the borough which provides a baseline for the economic strategy. This baseline report has therefore not sought to repeat this work.

1.3 Instead, this technical report sets out a summary of the LEA and an in-depth analysis of key research questions which will help to shape the economic strategy for the London Borough of Redbridge. These specific research questions were agreed with the client group at the inception phase, and largely drew on key lines of enquiry members and officers were keen to explore.

1.4 The report sits alongside the Redbridge Challenges, Opportunities and Vision Options Summary Paper.

1.5 This technical report comprises:

- A summary of key policy and strategy documents that will influence the Redbridge strategy
- a summary of key points from the LEA which provided an overall economic baseline for the borough
- a series of baseline notes exploring specific questions that arose from analysis of the LEA findings and from the study inception stage.

2. Summary of Existing Policy and Strategy that will Shape the Economic Strategy

Summary of Key Factors which will affect the Economic Strategy
• Outer London boroughs can play key economic roles in creating jobs in growth sectors and supporting clusters in development corridors, supporting retail, leisure and office growth in town centres (driven by population growth) and supporting growth / protecting economic activity at strategic industrial locations. • Redbridge economic strategy needs to build on major investments including the Housing Opportunity Zone in Ilford and Crossrail stations in the borough.

2.1 The tables below set out:

- A summary of key policy and strategy at borough and London level which will help to shape key aspects of the strategy over the next 15 years.
- A summary of key funding sources which will be relevant over the period of the 5-year action plans.

Table 2.1 Summary of Key Policies / Strategies

Policy / Strategy	Relevant Factors	Importance for Redbridge Economic Strategy
London		
Mayor's 2020 Vision (2015)	• Between 2011-21 London population is expected to grow by 1m, requiring 450k new jobs and 400k homes (40k per year). • Highlights series of 19 Opportunity Zones for job and housing growth, though none within Redbridge (Ilford since been designated a Housing Zone) • Highlights transport investments, including Crossrail which will have new stations in Redbridge. • Transport infrastructure seen as a key driver in unlocking jobs, growth, regeneration and environmental improvement. • Target to create 250,000 apprenticeships by 2016 • Target to create 25% of London's power from decentralised energy, wherever possible being renewable fuels • Highlights key growth opportunities in cultural and artistic sector and bioscience and health.	• Redbridge must play its part in contributing to the housing and job growth needed. • Could be potential for Redbridge to develop an opportunity zone with a stronger employment focus for future consideration • Crossrail expected to be a key driver of jobs, growth and regeneration in Redbridge. • Redbridge must play its part in delivering this target. • Redbridge must play its part in delivering this target. • Redbridge should consider whether it can contribute to growth in these sectors.
London Plan (2015)	Policy 2.7: Outer London economy should be supported by: • Enable growth of new and existing sectors by enhancing competitive attractiveness	• Provides a framework for Redbridge's role in the London economy.

Policy / Strategy	Relevant Factors	Importance for Redbridge Economic Strategy
	• Improve accessibility to competitive business locations eg town centres and strategic industrial locations • Support cluster development, within development corridors • Developing strengths of outer London office market • Enhance town centre capacity for leisure, retail, civic needs and higher density housing • Improving stock of industrial capacity to meet strategic and local needs inc SMEs, start-ups etc • Ensure responses to skills needs address London-wide objectives • Addressing local pockets of deprivation	
	Policy 2.13: Highlights Ilford Housing Zone as one of the 38 Opportunity Areas across London. Policy 2.15: Ilford identified as one of 13 Metropolitan Centres within the hierarchy of London centres.	• Key driver for growth in Redbridge
	Policy 2.16: Outer London boroughs encouraged to develop and promote strategic economic functions ie sector specialisms, through co-ordinating investment, bringing forward development capacity, creating a distinct, attractive business offer, improving access to employment opportunities.	• Opportunity for Redbridge to define key growth sectors in a London context and target policy and investment to support growth.
	Policy 2.17: Strategic Industrial Locations – should be managed, promoted and protected – including Hainault Industrial Estate and Southend Road Business Area in Redbridge (both preferred industrial locations)	• Redbridge needs to understand the current roles of these locations and be clear on future policy direction in line with this need to protect and promote these sites.
	Policy 3.3: Over 2015-25 Redbridge has an annual housing completion target of 1,123 homes.	• Redbridge must work towards delivering this target or higher housing completion.
	Policy 4.2: Outlines office space needs, with 59,000 extra office jobs expected in outer London over 2011-31, requiring up to 1 million sqm office floorspace.	• Useful context to help understand office development needs in Redbridge.
	Policy 4.6 highlights arts, culture and entertainment needs, and highlights Ilford and Gants Hill as particular focus areas for the night time economy (of sub-regional / more than local importance respectively).	• Suggested focus for development of evening economy in Redbridge.
	Policy 6.4: highlights implementing Crossrail as the Mayor's top strategic transport priority.	• Key opportunity for Redbridge.

Policy / Strategy	Relevant Factors	Importance for Redbridge Economic Strategy
	Policy 6.9: highlights proposed cycle superhighway route from Ilford into Aldgate station. Annex 1: Ilford Opportunity Zone identified as 85 hectares, opportunity for creation of 800 jobs and 5,000 homes and strengthening the retail and leisure offer. Annex 2: highlights: • Ilford as a metropolitan town centre, with regional/sub-regional night time economy offer and with a medium growth policy direction based on demand for leisure, retail and office space • Barkingside, South Woodford and Wanstead as district centres with a medium growth policy direction based on demand for leisure, retail and office space • Gants Hill as a district centres with a night time economy of more than local significance and a medium growth policy direction based on demand for leisure, retail and office space.	• Further enhancing connectivity between Ilford and Central London • Key driver for growth in Redbridge • Useful context in understanding the roles and potential of these centres for housing, retail, office, and leisure uses.
LB Redbridge		
LB Redbridge Corporate Strategy 2014-18	• Population increase of 25,000 expected by 2018 to 316,000 (+9%) • £70m cuts needed to be made by 2017-18.	• Increasing pressure on public services • Internal funding for economic strategy projects likely to be very challenging over the next five years.
Redbridge Local Plan 2015-30 – Preferred Options Report	• Anticipated additional 2,000 homes needed per annum in Redbridge (based on 2010 Housing Needs study) • Housing completions over 2010-14 have ranged between 240-520 per annum. • Five main investment areas identified which include the large majority of key opportunity sites in the borough which will help revitalise town centres, local employment, and leisure opportunities, and provide new community facilities and homes. These are: Ilford, Crossrail Corridor, Gants Hill, South Woodford, Barkingside.	• Useful context, to be considered alongside London Plan housing target. • Reflects challenge in delivering housing completions. • Useful context in understanding the roles and potential of these areas for housing, retail, office, and leisure uses.
Employment, Skills and Enterprise Plan (2011)	Priorities include: • Ensuring co-ordinated provision of employment and skills support eg through workREDBRIDGE • Supporting incapacity benefit claimants for transition to ESA/JSA	• Employment and skills interventions need to build on strong base of existing activity.

Policy / Strategy	Relevant Factors	Importance for Redbridge Economic Strategy
	• Agreeing borough / cross-borough arrangements for identifying future skills priorities • Improve employer engagement to influence skills provision • Improve ESOL and essential employability skills • Ensure benefits from Work Programme are maximised.	
Fairness Commission (2015): See Baseline Note I		
Crossrail Corridor Area Action Plan: See Baseline Note N		

2.2 The table below sets out a summary of key funding sources relevant over the first five-year action plan period for Redbridge.

Table 2.2 Summary of Key Funding Sources

Funding Source	Activities that can be Funded
ESIF	• SME Competitiveness including business support, finance, workspace • SME Innovation • Low Carbon Economy • Skills • Employability
LEP Funding - Growth Deal / New Homes Bonus Topslice	Under previous rounds funding supported: • Building skills base and supporting businesses • Helping Londoners into sustainable employment • Improving housing supply Note: The London Regeneration Fund came via this Growth Deal funding Local Enterprise Partnerships are bidding for funding as part of a third round of Growth Deals later in 2016.
Council Capital Programme	• Major capital investments across all areas of local authority activity.

3. Key Findings from the Local Economic Assessment 2016

Summary of Key Factors which will affect the Economic Strategy
• Business survival rates in Redbridge are relatively low and businesses highlight constraints to growth including availability of skilled staff, cost of premises and transport within London. • By 2031, growth is expected across London in business & financial services, leisure & personal services and retail, while the manufacturing sector is expected to decline over this period. • Employment rates are significantly below the London average, and especially low for females and ethnic minority groups. • Several areas in the South East of the borough are amongst the most deprived in the country.

3.1 This section draws out key findings from the Local Economic Assessment undertaken in 2016.

Business

3.2 The bullet points below set out key findings from the Redbridge Local Economic Assessment (2015), relating to Business:

Businesses

- **Redbridge has around 11,600 micro-businesses** (94% of all businesses), a higher proportion than the London average (90%).
- **Employment in the borough is evenly split across different business size categories (based on data from 2008),** including 18,000 in micro businesses (1-10 employees), 15,000 in small businesses (11-49 employees), 17,000 in medium sized businesses (50-199 employees) and 19,000 in larger businesses (200+ employees).
- **Business survival rates are relatively low, with around 36% of businesses surviving the first five years of trade**, slightly lower than the London average (37%).
- **Business sell the large majority of goods and services (47%) within the Borough, whilst 25% of supplies are purchased in the borough,** lower compared to 33% purchased in London.
- **Businesses in North East London highlight that they face a number of key constraints to business growth.** In order of importance, these include:

  1) Government regulations
  2) Availability of skilled labour
  3) Cost of premises
  4) Transport within London
  5) Cost of Labour; Availability of affordable premises; Crime
  6) Transport in and out of the Borough
  7) Size of Premises

8) Proximity to customers; Proximity of other companies in same sector

9) Access to finance

10) Proximity to suppliers

Sectors

- **The largest business sectors are professional and scientific & technical (1,260 businesses), construction (1,150 businesses) and retail (1,070 businesses)**.
- **Manufacturing employment across London is expected to decline** from 220,000 in 2007 to just 90,000 by 2031.
- **Financial and business services jobs across London are projected to grow** from 1.56m in 2007 to 1.98m by 2031.
- **Growth is also expected across London by 2031 in: leisure and personal services** (360,000 jobs), **hotels and restaurants** (235,000 jobs), **education and health** (54,000 jobs) **and retailing** (36,000 jobs).

3.3 The table below shows a number of key aspects we have analysed in more detail through complementary baseline notes.

Table 3.1 Additional Questions and Lines of Enquiry Arising from the Business Baseline

Question	Coverage in our Additional Baseline Notes
In which key sectors is Redbridge growing?	Baseline Note A
What is the size and shape of the borough's low carbon economy?	Baseline Note B
What is the size and shape of the borough's informal economy?	Baseline Note C
Why has the business base increased so much recently?	Baseline Note D

People

3.4 The bullet points below set out key findings from the Redbridge Local Economic Assessment (2015), relating to People:

Population and Demographics

- **The Redbridge population is estimated to be 285,000**, with a working age population of 191,000 (65.1%). (Figures relate to 2012).
- **The population is projected to increase to up to 302,000 by 2016, and up to 365,000 by 2031** (GLA Population Projections)
- **The population is highly diverse, with around 58% of residents classifying themselves as from Black and ethnic minority groups**, including 16% Indian, 11% Pakistani and 6% Bangladeshi.
- **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)

Education

- **68.7% of pupils achieved five or more A* - C grades at GCSE, including English and Mathematics** (2014)
- In 2013, **69% of school leavers went on to study at a higher education institution** (amongst the highest proportion in the country).
- Despite this **a lower proportion (45%) of working age residents have attained level 4+ qualifications (degree level or equivalent) compared to the London average** (49%).
- **A higher proportion (9%) have no qualifications compared to the London average** (8%).

Employment

- There are a total of **74,400 jobs in Redbridge** with a **higher proportion of part time jobs** (34%) than the London average (26%).
- **Job density in Redbridge (the number of jobs in the borough per working age resident) has reduced between 2000-13** from 0.53 jobs per working age resident to 0.45. This largely reflects trends in the neighbouring outer London boroughs of Barking & Dagenham and Waltham Forest.
- **Employment rates of working age people (68%) are below the London average** (72%) and growing at slower rate than the London average (growth of 3.1% over 2010-15 compared with 4.9% across London).
- The **employment rate for females is much lower at 57% and for ethnic minorities at 62%.** For ethnic minority females it is as low as 50%.
- The **employment rate for young people (aged 16-24) is around 40%,** lower than the average for London (46%) and the UK (52%).
- **Self-employment rates are in line with the London average** at around 13%.
- **Unemployment rates (7.3%) are higher than the London average** (6.6%). The unemployment rate is higher for females (11.8%) and ethnic minorities (10.2%).
- **Unemployment is highest in wards to the South East of the borough** including Loxford, Clementswood, Valentines, Seven Kings and Goodmayes.
- **Redbridge has a relatively low take up of apprenticeships** with 243 starts in 2012/13.
- **JSA claimants have decreased in Redbridge from 2.5% to 1.5%** between 2008-2015. This is lower than in other neighbouring North East London boroughs.
- **There are childcare barriers to employment in the borough** with only 9,600 childcare provider places available in the borough, compared with 44,000 children aged 0-9.

Commuting

- **Redbridge loses 45,000 workers each working day on average**, with 32,000 people commuting in and 78,000 residents commuting out of the borough to work.
- **The highest proportion of residents commuting in travel from the neighbouring boroughs of Barking and Dagenham, and Havering.**
- Around 28% of residents commuting out travelling to Westminster, City of London

Earnings

- **Redbridge does not provide the high value jobs that many of its residents seek**. This is reflected in the difference between median earnings for people who live in the borough compared with median earnings for those who work in the borough, The median weekly full-time pay of people who reside in the borough (£621) is considerably higher than the figure for those who work in the borough (£552).

Deprivation

- **Redbridge is ranked 125th out of 326 local authorities for overall deprivation**.
- **Deprivation is highest in the South of the borough**, with Clementswood and Loxford most deprived.
- **The number of children under 16 living in poverty has decreased in recent years**, from around 25% in 2010 to 19% in 2012.

3.5 The table below shows a number of key aspects we have analysed in more detail through complementary baseline notes.

Table 3.2 Additional Questions and Lines of Enquiry Arising from the People Baseline

Question	Coverage in our Additional Baseline Notes
How can the borough attract and support increased higher education?	Baseline Note E
What are Redbridge's most economically important geographic links?	Baseline Note F
How does Redbridge perform on wages and productivity?	Baseline Note G
What are the factors constraining employment in Redbridge?	Baseline Note H
How does the fairness commission influence the economic strategy?	Baseline Note I

Places

3.6 The bullet points below set out key findings from the Redbridge Local Economic Assessment (2015), relating to Place:

Housing

- **More housing stock in Redbridge is owner occupied (64%) than the London average** (50%), with an above average household size (2.8 people).
- **The average price of a home is higher than neighbouring boroughs at over £370,000** (as at August 2015).
- **The latest housing need assessment identifies a requirement of 10,153 homes over the next 5 years**, consisting of 38% affordable.

3.7 The table below shows a number of key aspects we have analysed in more detail through complementary baseline notes.

Table 3.3 Additional Questions and Lines of Enquiry Arising from the Place Baseline

Question	Coverage in our Additional Baseline Notes
What is the role of housing in the borough's economic growth?	Baseline Note J
How are industrial areas in Redbridge performing?	Baseline Note K
How are town centres / evening economy performing in Redbridge?	Baseline Note L
What is the real impact of Crossrail?	Baseline Note M

4. Baseline Note A: Sector and business base – in which sectors is Redbridge growing?

Summary of Key Factors which will affect the Economic Strategy

- In a UK context, Redbridge is a relatively economically competitive borough, however it is one of the least competitive boroughs in London, reflecting untapped potential for growth in the borough.
- A relatively large proportion of jobs in Redbridge are in the public sector, however this reflects an undersupply of private sector jobs within the borough rather than oversupply of public sector jobs.
- For its population size, Redbridge has far fewer businesses of 10+ employees than both the London and England average.
- The borough has a strong retail sector relative to the London average, supporting a large proportion of current employment. Key sites include: Ilford town centre, Goodmayes Retail Park and the junction of the M11 and the North Circular Road.
- There are particular strengths in the construction sector which the strategy could build on. Employment in this sector is particularly located around: Hainault Business Park, Woodford and Chadwell Heath.
- Professional and business services, and digital and creative sectors are both growing sectors in Redbridge, albeit from a relatively modest base. Growth over the last five years is mostly occurring towards the south of the borough, along the border with Newham.

The Economy: Key Statistics

4.1 The key statistics relating to the Redbridge economy are presented in the table below, and are presented in more detail in the sections below.

Table 4.1 Redbridge's Key Economic Statistics

	Indicator	Current	Recent Change
Business Base (2010 – 15)	Number of Businesses	12,600	+4,000 (47%)
Employment Base	Total Employment	76,000	+9,200 (14%)
	% Full-Time Employment	66%	+2% points
	% Private Sector Employment	58,800 (77%)	+9,900 (+ 4% points)
Overall Competitiveness	UK Competitiveness Index Rank	27th in London (out of 33) 139th in UK (out of 379)	+24 in UK

Source: ONS UK Business Count (2015), ONS BRES (2014), UK Competitiveness Index (2013)

Size of the Redbridge Economy

4.2 The Redbridge Economy currently consists of 76,000 jobs and 12,600 businesses accounting for 1.6% of all jobs and 2.5% of all businesses in London.

4.3 In reality the number of jobs and businesses in Redbridge may be far higher than the official government figure, as these official figures tend to exclude the smallest businesses (those operating under the VAT threshold of £80,000) and those in the informal economy (see Baseline Note C).

4.4 In part due to the relatively small nature of Redbridge's economy, it is ranked by the UK Competitiveness Index as one of London's least competitive boroughs (27th out of 34 London boroughs). However, Redbridge is ranked 139th out of 379 local authorities in the UK, and comparable local authorities include Colchester (134th), Leeds (140th), Northampton (143rd) and Basildon (146th).

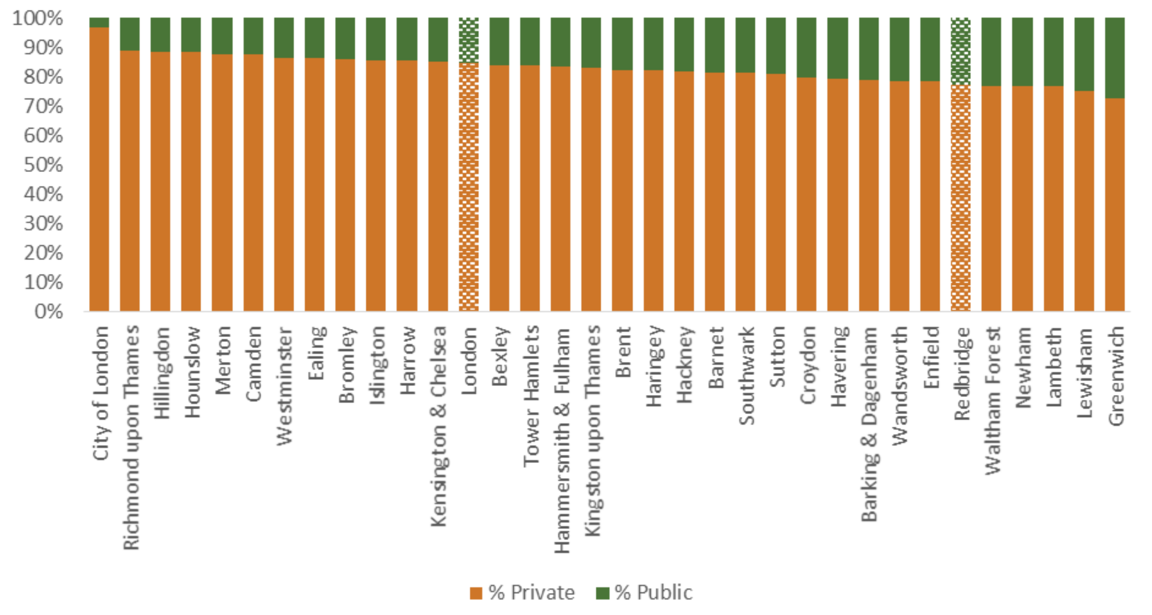
The Current Make-Up of Redbridge's Economy

4.5 Redbridge's economy has experienced strong growth over the last five years with a 47% increase in the business base[1] and a 14% increase in the number of jobs.

Redbridge's Public / Private Economy

4.6 In the London context, Redbridge has a relatively large public sector, with 23% of employment (17,500 jobs) in the public sector, compared to 15% across the whole of London. This ranks Redbridge as having the sixth highest proportion of public sector employment out of all the London boroughs. With ongoing pressure on public spending a clear challenge will be ensuring that growth in private sector employment can balance a decline in public workers locally.

Figure 4.1 Redbridge's Public Private Spilt relative to other London boroughs

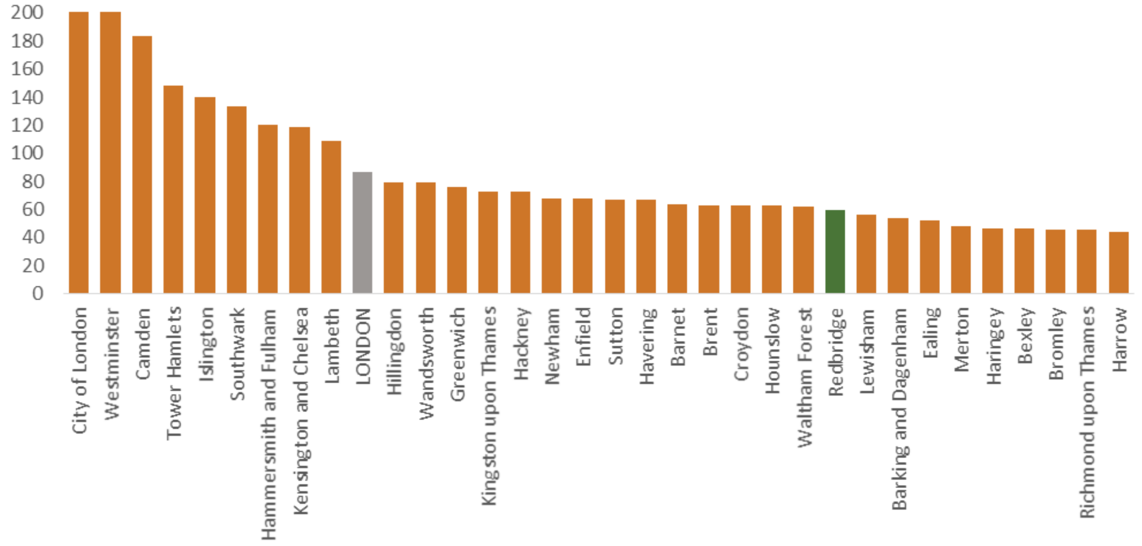


Source: ONS BRES (2014)

4.7 However, the high proportion of public sector jobs is better explained by an undersupply of private sector jobs rather than oversupply of public sector njobs. Indeed, as the chart below shows, Redbridge has amongst the fewest public sector workers per 1,000 population of all London boroughs, with 60 public sector jobs per 1,000 population, much lower than the London average of 87. This is also lower than in neighbouring boroughs, including Waltham Forest (62), Havering (67) and Newham (68).

[1] Note however that this figure of business growth is likely to be an overestimate – this is explored further in Baseline Note D.

Figure 4.2 Number of Public Sector Jobs per 1,000 population



Source: ONS BRES (2014) and Mid-Year Population Estimates (2014)

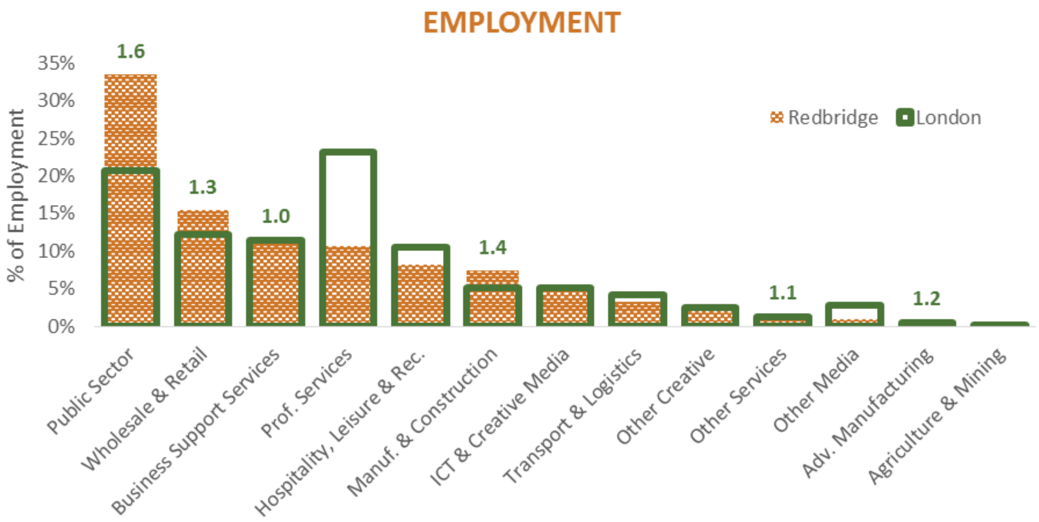
Composition of the Local Economy

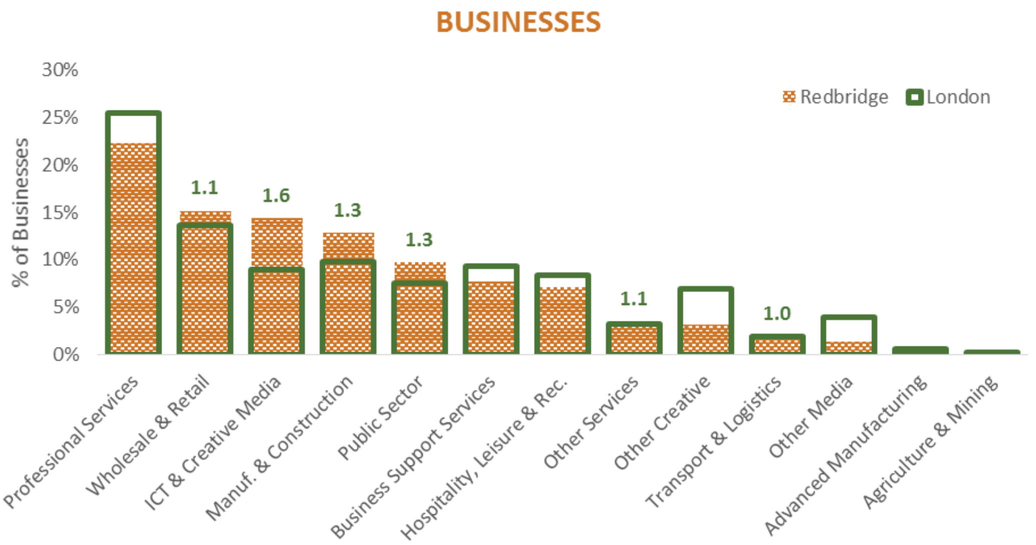
4.8 When considered at the broadest sector level, Redbridge's *largest employment* sectors are the **public sector, wholesale and retail, and business support services**. Combined these sectors account for 60% of all jobs in Redbridge. All of these sectors have a higher concentration in Redbridge than across London.

4.9 In addition to these sectors, Redbridge has *employment specialisations* in the **advanced manufacturing, and manufacturing and construction sectors**, with the borough having a higher proportion of its workforce in these sectors than across London. However, the advanced manufacturing sector has experienced a significant decline in employment over the last five years (-53%) offering concern for the sustainability of this sector in Redbridge.

4.10 When analysing the *business base* the **professional services, wholesale and retail and ICT and Creative Media** sectors account for 52% of all businesses. Redbridge has potential in each of these sectors, especially as both the professional services and ICT and creative media sectors are being targeted in London as a whole. Redbridge also has notable specialisations in its business base in manufacturing and construction, the public sector and other services.

Figure 4.3 Redbridge's Broad Sector Breakdown, Employment (top) and Businesses (bottom)





Source: ONS UK Business Count (2015), ONS BRES (2014)
Note: Labels show those sectors which have an LQ equal or greater than 1.0

Table 4.2 Detailed Breakdown of Redbridge's Economy

Main Sector	Detailed Sector	Business				Employment					
		UK Business Count				BRES				IDBR	
		2015			Change 2010 – 15 (%)	2014			Change 2009 – 14 (%)	2015	
		No.	% of all	LQ		No.	% of all	LQ		No.	% of all
Agriculture	Agriculture and Mining	<100	0%	0.5	100%	<100	0%	0.2	8%	<100	0%
Manufacturing, Utilities and Transport	Manufacturing & Construction	1,600	13%	1.3	33%	5,700	7%	1.4	16%	6,300	8%
	Advanced Manufacturing	100	1%	0.8	44%	500	1%	1.2	-53%	700	1%
	Transport and Logistics	300	2%	1.0	28%	2,500	3%	0.8	8%	2,400	3%
Local Service Sectors	Wholesale and Retail	1,900	15%	1.1	13%	11,800	15%	1.3	6%	9,900	13%
	Hospitality, Leisure & Recreation	900	7%	0.9	24%	6,300	8%	0.8	13%	6,700	9%
	Public Sector	1,200	10%	1.3	45%	25,500	33%	1.6	12%	27,600	35%
	Other Services	400	3%	1.1	50%	1,100	1%	1.1	4%	1,300	2%
Creative and Professional Services	ICT & Creative Media	1,800	14%	1.6	115%	3,700	5%	0.9	96%	2,300	3%
	Other Creative	400	3%	0.4	47%	1,600	2%	0.8	22%	500	1%
	Other Media	200	1%	0.4	-3%	800	1%	0.4	-1%	600	1%
	Business Support Services	1,000	8%	0.8	74%	8,800	12%	1.0	20%	11,400	15%
	Professional Services	2,800	22%	0.9	64%	8,100	11%	0.5	17%	9,100	11%
Cross-Cutting Sectors	Business & Professional Services	3,900	31%	0.8	63%	13,000	17%	0.6	25%	21,100	27%
	ICT	1,800	14%	1.5	108%	3,800	5%	1.0	78%	2,500	3%
	Creative	1,900	15%	1.1	121%	5,400	7%	0.7	56%	2,200	3%
	Science and Technology	3,100	25%	1.1	87%	10,600	14%	0.8	44%	11,400	15%
Whole Economy		12,600	100%	1.0	47%	76,300	100%	1.0	14%	78,900	100%

Source: ONS BRES (2014), ONS UK Business Count (2015), ONS IDBR (2015)

Note: LQ stands for Location Quotient. This measures the relative specialism of each sector versus the London average. Cells highlighted green is where specialisms exist i.e. LQ>1

4.11 The table above highlights in more detail some of Redbridge's sector specialisms, which are described in more detail below.

Manufacturing and Construction

4.12 The manufacturing and construction sector has outperformed London over the last five years, with employment growing by 16% since 2009 (compared to 5% across London). The sector now accounts for 7% of all employment (5,700 jobs), with specialisms in the construction of water projects (1,000 jobs) and the construction of commercial buildings (700 jobs). The sector has a higher concentration of employment in Redbridge than London as a whole, with an employment location quotient of 1.4. The sector accounts for 13% of businesses in Redbridge (1,600 businesses), and has a higher concentration than London (business location quotient = 1.3).

Advanced Manufacturing

4.13 Advanced manufacturing is one of the targeted sectors of the Government, with high potential for growth through technological innovations. Although Redbridge still has a higher concentration of employment in the sector compared to London as a whole, it has been falling significantly over the last five years, with a 53% reduction in the level of employment in the borough. It currently accounts for 500 jobs. Niche sectors within Redbridge include the repair and maintenance of aircraft and spacecraft sector which accounts for 100 jobs.

Transport and Logistics

4.14 The transport and logistics sector accounts for 2,500 jobs in Redbridge (3% of the total) and has seen employment growth of 8% since 2009, higher than experienced across London as a whole (5%). Business growth in the sector has also been strong, with a 28% increase since 2010, meaning the sector now has 300 businesses (2% of the businesses in Redbridge).

Wholesale and Retail

4.15 The wholesale and retail sector has a relatively strong presence in Redbridge, accounting for 11,800 jobs and 1,900 businesses (both 15% of the totals). The concentration of employment in Redbridge's wholesale and retail sector is higher than in London as a whole (location quotient = 1.3) showing the specialism of the sector in Redbridge. However, employment growth over the last five years (6%) has been below the London level (9%).

Public Sector

4.16 The public sector, which includes health and education, is the biggest employer in Redbridge accounting for 33% of total employment (25,500 jobs). It is much more concentrated than in London as a whole, with an employment location quotient of 1.6 – the highest for a sub-sector in Redbridge. Employment has grown by 12% since 2009, identical to the London growth rate.

Other Services

4.17 Other services, which includes the renting and leasing of goods, hairdressing and dry-cleaning services, also has a strong presence in Redbridge, with employment and business location quotients of 1.1. The sector employs 1,100 people in 400 businesses, meaning that most businesses are relatively small in nature (2.75 employees per business).

ICT & Creative Media

4.18 ICT and Creative Media is one of the target sectors in the London and UK economy, and the sector has experienced strong growth in Redbridge, with the number of jobs increasing by 96% since 2009 and the number of businesses increasing by 115% since 2010. The sector currently employs 3,700 people in 1,800 businesses, meaning there is an average of 2.06 employees per business.

4.19 Many people working in this sector are self-employed, typically being IT consultants working on a free-lance basis.

Other Creative

4.20 The other creative sector has a relatively small presence in Redbridge, accounting for 2% of total employment (1,600 jobs). The sector is comprised of 400 businesses trading across a range of disciplines, including TV and film casting (600 jobs), operating arts facilities (200 jobs), art galleries (200 jobs) and the retail of antiques (100 jobs). Employment in the sector has grown by 22% since 2009, and business growth has been 47% since 2010.

Other Media

4.21 The other media sector, which includes activities such as the retail and publishing of books, news agents, video production and television programme distribution, is the only sector which has experienced a decline in both employment and businesses in Redbridge. Employment has declined by 1% since 2009 to 800 jobs, and the number of businesses has declined by 3% since 2010 to 200.

Business Support Services

4.22 Taken at face value, statistics suggest that the business support services sector is one of Redbridge's largest sectors, accounting for 12% of employment (8,800 jobs) and 8% of businesses (1,000 businesses). In addition, there has been strong growth in the sector, with the business base increasing by 74% and employment growing by 20%.

4.23 Despite this strong performance, caution should be exercised of these figures, as a large proportion of jobs in this sector can be attributed to recruitment agencies and facilities support services (e.g. cleaners), where it is likely that, while registered locally, jobs are likely to be located off-site (including outside of the borough).

Professional Services

4.24 The professional services sector has been growing well in recent years, and shows that Redbridge can support high value-added sectors. The sector employs 8,100 people (11% of total employment) and has seen employment growth of 17% since 2009. Key sub-sectors within Redbridge include legal activities (2,000 jobs), financial management (1,200 jobs), real estate agents (1,100 jobs) and banking (500 jobs). However, employment in the sector is not concentrated by London's standard, and shows that more needs to be done to attract employment.

4.25 Business growth in the sector has been high in the last five years (64%), and the professional services sector now accounts for 22% of businesses in the borough.

Cross Cutting Sectors / London Key Sectors

4.26 In addition to the sectors listed above, a number of cross-cutting sectors, have been analysed to understand those sectors which cut across the economy and influence other activities, namely business and professional services, ICT, creative and science and technology. In addition to these, the low carbon economy also cuts across a number of Redbridge's sectors, however this will be explored further in a separate section (Baseline Note B).

Business and Professional Services

4.27 The business and professional services sector is one of the targeted sectors in London as a whole, and cuts across a range of sectors, including sectors from business support services, professional services, other creative and the public sector. The sector accounts for 17% of all employment (13,000 jobs), and has experienced a 25% increase in employment since 2009 (compared to 18% across London). Around 3,900 businesses are active in the sector, which accounts for 31% of the total, although the sector has a lower concentration of businesses than London as a whole (location quotient = 0.8). Industries with a strong presence in Redbridge within this sector include accountancy (1,100 jobs), real estate agencies (600 jobs) and management consultancy activities (600 jobs). There are also a large number of jobs in businesses categorised as 'other business support activities' (accounting for 5,900 jobs), which can include jobs across a variety of sectors including cleaning, security and administrative support.

ICT

4.28 The ICT sector is a specific definition, which identifies businesses and jobs which can be specifically attributed to computing. This is a sector targeted in both London and the UK, and includes a range of activities across the ICT & Creative media, Wholesale and Retail and Other Services sectors. The ICT sector accounts for 3,800 jobs in Redbridge, and has growth by 78% since 2009 (compared to 36% across London). Business growth in the sector has also been high (108%), showing that the sector is becoming established in Redbridge. The location quotients for the sector for employment and businesses are 1.0 and 1.5 respectively, highlighting its strong presence in Redbridge.

Creative

4.29 The creative sector is a target sector in both London and the UK. The creative sector was defined by the Department for Culture, Music and Sport, and we have applied this definition to the Redbridge economy. This definition is broad and covers a wide range of activities (many of which have been described before) including ICT and Creative Media, other creative and other media. It is estimated that creative activities contribute 5,400 jobs to the Redbridge economy, accounting for 7% of total employment. This is less concentrated than in London as a whole, however the sector has experienced higher growth in the last five years, with employment growth of 56% since 2009 compared to 19% across London. Over three quarters of this growth has occurred in business and software development (+1,140 jobs since 2009).

4.30 Creative activities also contribute to around 1,900 businesses across Redbridge (15% of the total), with a business growth rate of 121% since 2010 (compared to 46% across London). The concentration of businesses in Redbridge is higher than in London as a whole (location quotient = 1.1).

Science and Technology

4.31 Science and technology is also a target growth sector in both London and the UK. The sector cuts across a multitude of sectors, in part due to the multi-disciplinary nature of science and technology innovations. To capture the full spectrum of the sector, the ONS has proposed a definition for the science and technology sector to better understand the contribution it makes to the economy. Using this definition, we have estimated that there are 10,600 jobs and 3,100 businesses in the

Science and Technology sector. This means that Redbridge has a higher concentration of businesses than London as a whole (LQ = 1.1), although it has a lower concentration of jobs (LQ = 0.8).

Social Enterprise

4.32 In addition to these sectors, we have also examined the role of social enterprise in Redbridge. A social enterprise is an organisation that applies commercial strategies to maximize improvements in human and environmental well-being.

4.33 To try and capture the size of this sector, we have used a definition created by Peattie & Morley (2008)[2], which examined the SIC codes that social enterprises belonged to. This assigns a proportion to a number of SIC codes including residential care, social work and sports clubs, assuming that not all businesses in these SIC codes will be social enterprises. For example it is assumed that 76% of activity in 'child day-care activities' are social enterprises.

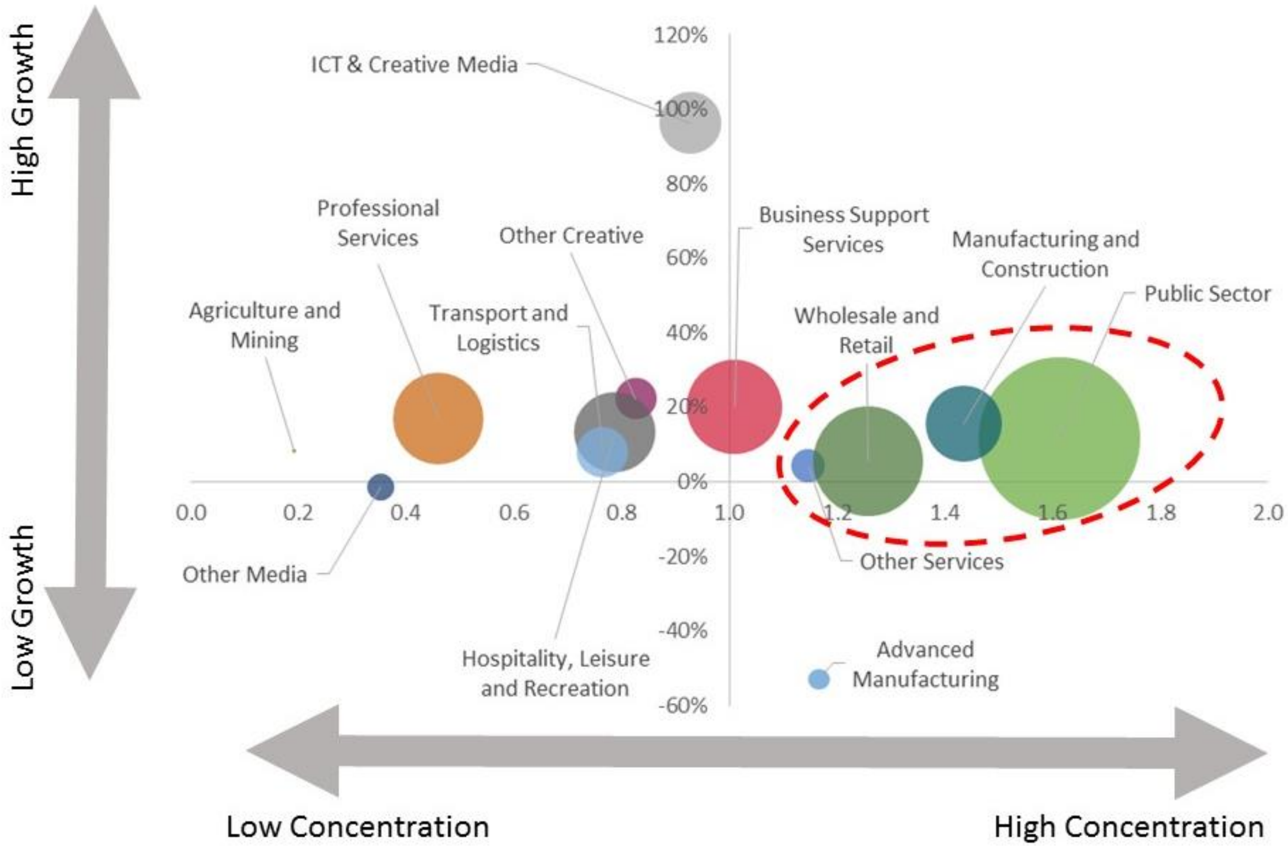
4.34 The analysis estimates that there are 7,640 people employed in the social enterprise sector in 360 businesses. On the basis of this definition, it appears that this sector may have grown considerably in the last five years, with a 17% increase in employment since 2009.

Summary: Sector Strengths and Trends

4.35 The analysis above is summarised in the two charts on the following pages. Figure 4.4 summarises the make-up of Redbridge's employment base in terms of size, degree of specialisation and growth trajectory. Figure 4.5 considers the sector performance in terms of economic value looking at those sectors in which Redbridge specialises, and those with high productivity in London.

[2] Peattie, K. and Morley, A. (2008) Social Enterprises: Diversity and Dynamics, Contexts and Contributions London: ESRC/SEC

Figure 4.4 Redbridge Sectors: Size, Concentration and Trajectory - **Employment**



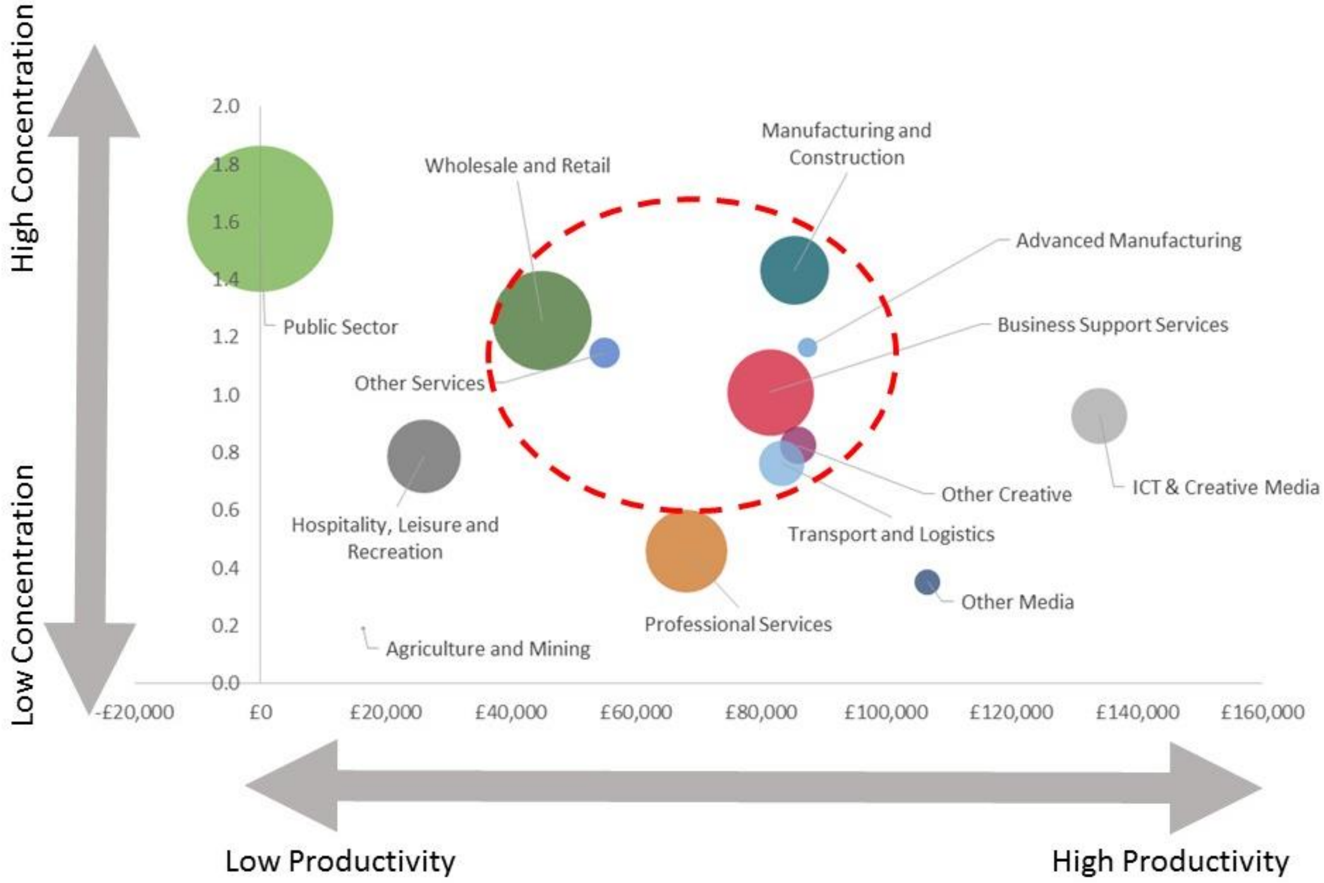
The chart summarises Redbridge's sectors in terms of their size, degree of specialisation and growth trajectory:

- **Quantum of employment (2014)** – donated by the size of the bubble
- **Degree of specialisation (2014)** – concentration (as defined by the location quotient) relative to the London average donated by the horizontal positioning, with the bubble on the right showing greatest level of specialisation.
- **Sector trajectory (2009 – 14)** – employment change denoted by the vertical positioning, with bubbles at the top of the chart showing the greatest level of growth in percentage terms.

The dotted bubble highlights the business sectors which are of particular significance in terms of their degree of specialisation and growth trajectory.

Source: ONS BRES, 2014

Figure 4.5 Redbridge Sectors: Size, Concentration and Trajectory - **Productivity**



The chart summarises Redbridge's sectors in terms of their size, degree of specialisation and productivity:

- **Quantum of employment (2014)** – donated by the size of the bubble
- **Degree of specialisation (2014)** – concentration (as defined by the location quotient) relative to the London average donated by the vertical positioning, with the bubbles towards the top showing greatest level of specialisation.
- **Productivity (2014)** – average GVA per employee for each sector in London denoted by horizontal positioning with bubbles to the right of the chart showing the highest levels of productivity.

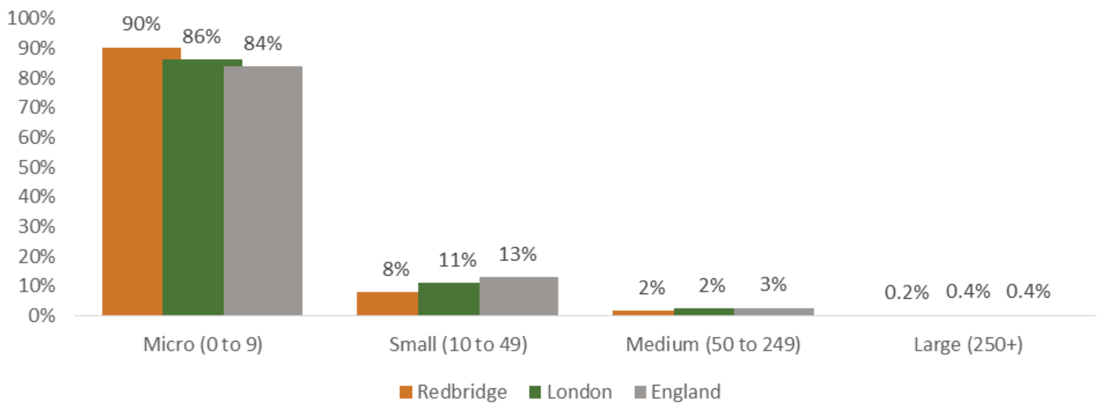
The dotted bubble highlights the business sectors which are of particular significance in terms of their degree of specialisation and have relatively high productivities.

Source: ONS BRES, 2014 & UK Regional Accounts, 2014

Business Size

4.36 Redbridge has more micro businesses that the average across London and England. Ninety per-cent of businesses in Redbridge are micro businesses, employing zero to nine employees, a higher proportion than across London (86%) and England (84%). In addition Redbridge has fewer businesses considered as small businesses, employing 10 to 49 employees, with 8% of Redbridge's business base employing this many people compared to 11% across London and 13% in England.

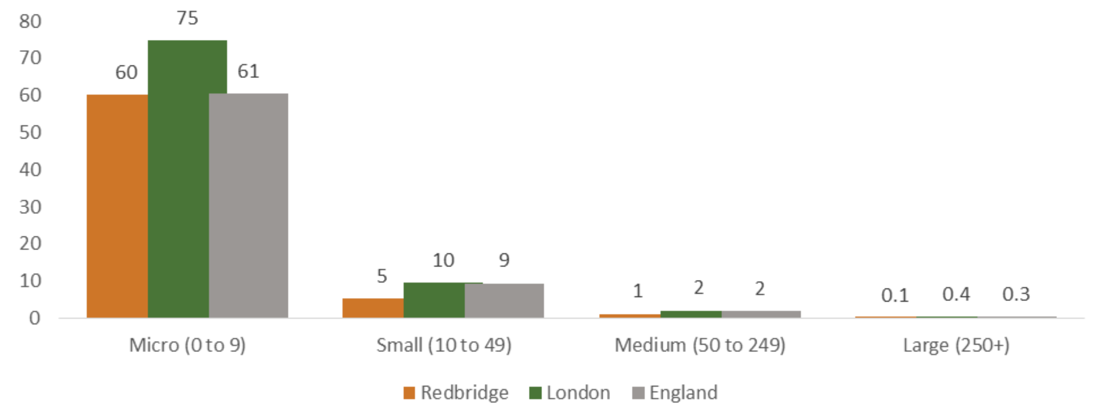
Figure 4.6 Size of Businesses



Source: ONS UK Business Count, 2015

4.37 As a proportion of its working aged residents (ages 16-64), Redbridge has relatively fewer businesses than across London and nationally. There are 60 micro businesses in Redbridge per 1,000 working aged population, a similar level to nationally (61) but lower than the London wide level (75). Redbridge has half the number of small businesses per 1,000 population than in London and nationally, and this suggests that Redbridge struggles to retain small businesses in the borough, or that few progress beyond being micro-sized.

Figure 4.7 Businesses per 1,000 working aged residents (16-64)



Source: ONS UK Business Count, 2015 & ONS Mid-Year Population Projections. 2014

Largest Businesses

4.38 Data from the Inter-Departmental Business Register can identify the largest businesses in Redbridge. Of the largest businesses (over 100 employees), these have been spilt into three categories, namely:

- **Public Sector bodies**, such as the local council, schools and hospitals
- **Business support services**, which have a large number of employees registered on one site, but whose activities occur across a number of different sites (including outside Redbridge). Examples include cleaners, security guards and temporary employment activities.
- **Private sector firms** whose employment and activity is all likely to occur within Redbridge

4.39 A list of the largest employers in each category is provided in the table below:

Table 4.3 Largest Employers in Redbridge

Public Sector		Business Support Services		Private Sector Firms	
Name	No. of employ.	Name	No. of employ.	Name	No. of employ.
LB Redbridge	2,600	Kapla Ltd	800	Barnardos	600
Barking, Havering & Redbridge NHS Trust	1,400	Interserve FS (UK)	650	Partnership of East London	450
Neale-Wade Community Academy	1,000	M&S On-Time Ltd	650	East London Bus & Coach Company	400
Metropolitan Police	700	Securitas Security	600	Tesco Stores	400
Loxford School	500	Adecco UK Ltd	450	Sainsburys Supermarkets	350
DWP	400	Tunnelcraft Ltd	300	London General Transport Services	250
Beal High School	300	Hope Superjobs	200	Waitrose	250
Redbridge College	300	A A Securities Ltd	200	Tesco Stores	250
Mayfield School	250	Ambitions Employment Agency	200	British Telecommunicatio ns	250
Seven Kings High School	250	Finefutures Ltd	150	South Eastern Electrical	200

Source: IDBR, 2015

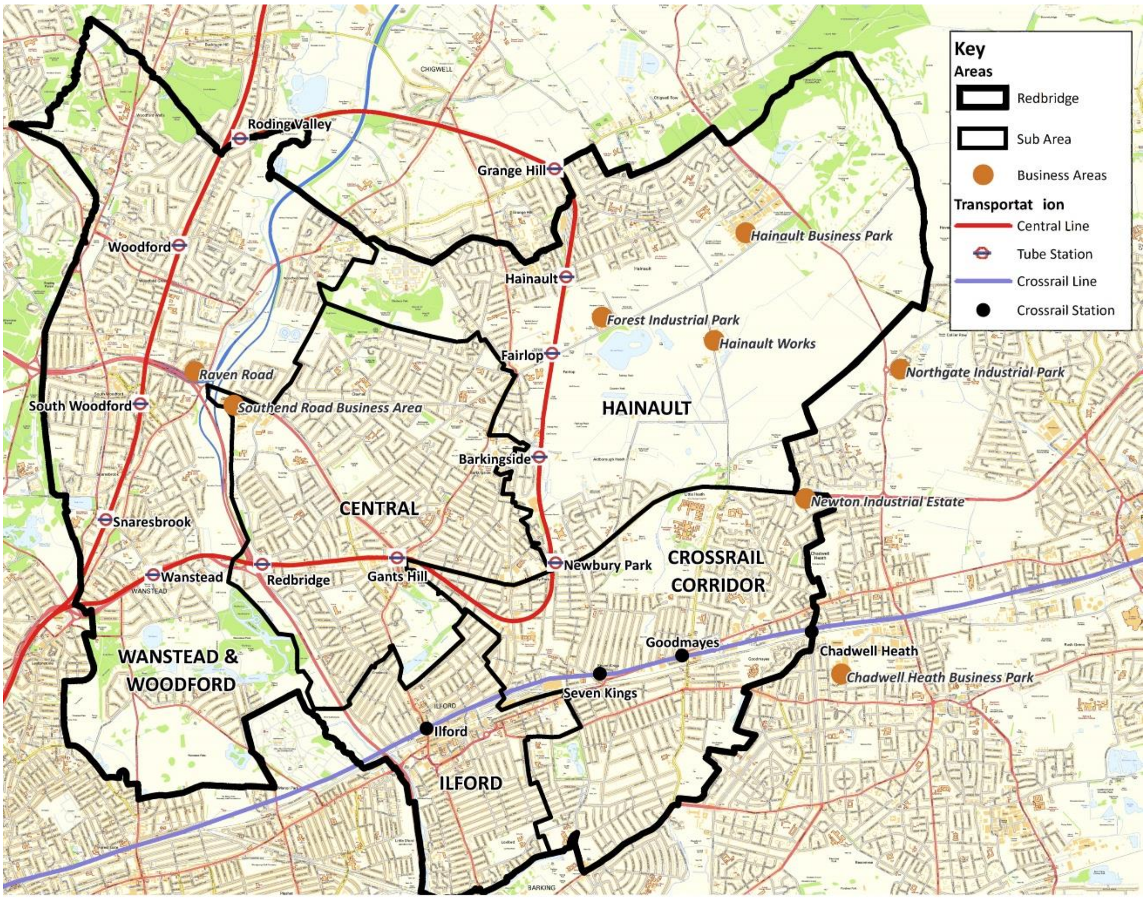
Note: Number of jobs have been rounded to the nearest 50 for confidentiality

The Economy of Redbridge’s Sub-Areas

4.40 To better understand the make-up of Redbridge’s economy at a more localised level, the borough has been spilt into five sub areas, which will enable a more detailed examination of each one. The five areas which have been selected (and accompanying business areas) are as follows:

- **Central** (including Southend Road Business Area)
- **Crossrail Corridor** (including Newton Industrial Estate)
- **Hainault** (including Forest Industrial Park, Hainault Works, Hainault Business Park)
- **Ilford**
- **Wanstead and Woodford** (including Raven Road)

Figure 4.8 Map of Redbridge and Sub-Areas



Source: Regeneris Consulting

The Make-Up of Redbridge's Sub Areas

4.41 The overall statistics for Redbridge's sub areas are provided in the table below.

Table 4.4 Summary of Employment and Business Statistics for Sub Areas

Area	Business			Employment		
	UK Business Count			BRES		
	2015		Change 2010 – 15	2014		Change 2009 - 14
	No.	% of Redbridge		No.	% of Redbridge	
Central	1,800	19%	+64%	14,000	18%	+21%
Crossrail Corridor	2,100	22%	+89%	18,600	24%	+16%
Hainault	1,000	10%	+48%	9,000	12%	+7%
Ilford	1,900	20%	+54%	18,300	24%	+11%
Wanstead & Woodford	2,900	30%	+48%	16,500	22%	+13%
Redbridge	*12,600**	-	*+47%**	*76,300*	-	*+14%*

Source: ONS BRES (2014) & ONS UK Business Count (2015)

Note: * - Numbers don't add as numbers for each MSOA are rounded down to the nearest 5 businesses.

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4.42 The following table shows the employment location quotients for each of the sub areas across a range of business sectors. It shows which sub areas have strong concentrations of employment in a particular sector.

Table 4.5 Employment Specialisms (location quotients) in Sub Areas

Main Sector	Detailed Sector	W&W	Central	Ilford	Hainault	Crossrail Corridor	*Redbridge*
Agriculture	Agriculture and Mining	0.2	0.6	0.1	0.0	0.1	*0.2*
Manufacturing, Utilities & Transport	Manufacturing and Construction	2.4	1.0	0.5	2.7	1.3	*1.4*
	Advanced Manufacturing	0.7	0.2	1.9	4.2	0.2	*1.2*
	Transport and Logistics	1.0	0.4	0.4	1.6	0.8	*0.8*
Local Service Sectors	Wholesale and Retail	1.0	1.5	1.5	1.6	0.9	*1.3*
	Hospitality, Leisure and Recreation	1.1	0.7	0.7	1.2	0.4	*0.8*
	Public Sector	1.3	2.0	1.2	1.4	2.2	*1.6*
	Other Services	1.9	1.2	1.2	0.7	0.6	*1.1*
Creative and Professional Services	ICT & Creative Media	1.2	0.9	1.0	0.6	0.8	*0.9*
	Other Creative	0.9	0.5	1.5	0.6	0.5	*0.8*
	Other Media	0.3	0.4	0.7	0.3	0.1	*0.4*
	Business Support Services	0.7	0.7	1.7	0.2	1.3	*1.0*
	Professional Services	0.6	0.4	0.5	0.3	0.3	*0.5*
Cross Cutting Sectors	Business and Professional Services	0.7	0.5	0.7	0.3	0.6	*0.6*
	ICT	1.2	0.9	1.1	0.8	0.8	*1.0*
	Creative	0.9	0.8	0.6	0.6	0.4	*0.7*
	Science and Technology	0.8	0.7	0.9	0.7	0.7	*0.8*

Source: ONS BRES (2014)
Note: Cells highlighted green is where specialisms exist i.e. Location Quotient>1
W&W = Wanstead and Woodford

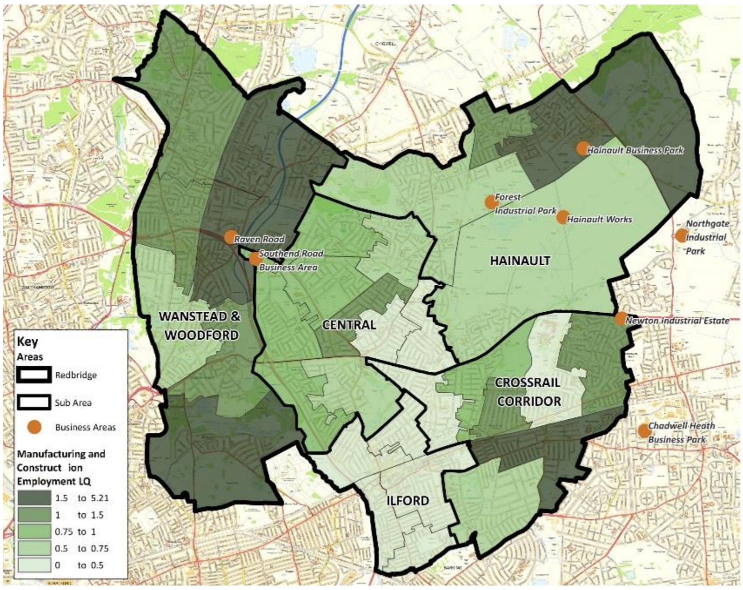
Distribution of Employment in Redbridge's Key Sectors

4.43 The following sections show more detailed maps on the distribution of employment across some of Redbridge's most specialised sectors.

Manufacturing and Construction

4.44 Manufacturing and construction is largely concentrated to the West (Wanstead and Woodford) and North East of Redbridge (around Hainault Business Park)

Figure 4.9 Distribution of Employment in Manufacturing and Construction

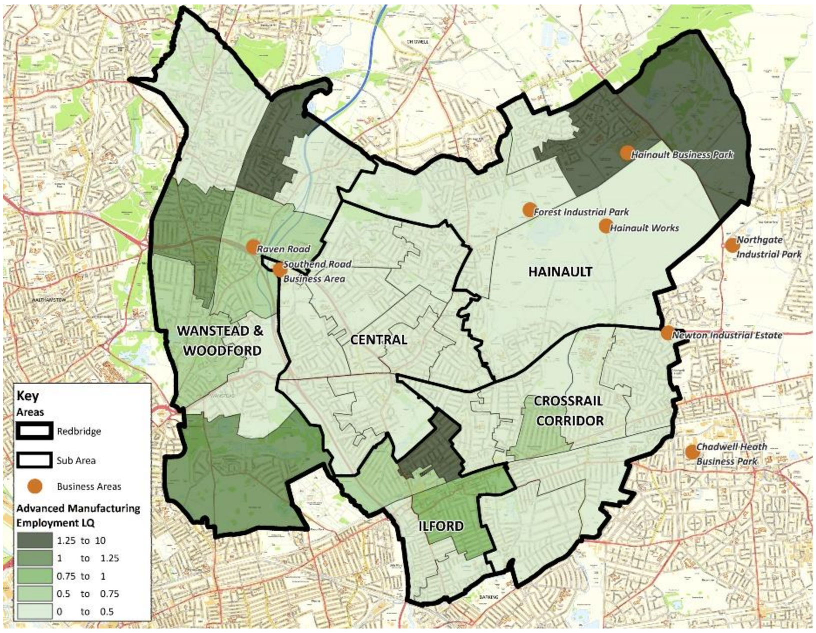


Source: ONS BRES (2014)

Advanced Manufacturing

4.45 Employment in the advanced manufacturing sector is almost exclusively located to the North East (Hainault Business Park) and North West of Redbridge, with a small pocket of activity around Ilford.

Figure 4.10 Distribution of Employment in Advanced Manufacturing

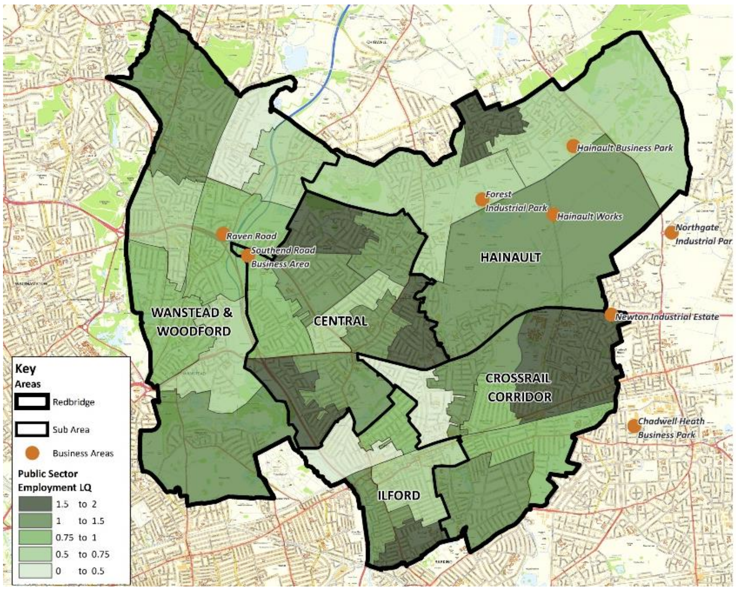


Source: ONS BRES (2014)

Public Sector

4.46 The public sector is also well distributed across Redbridge, with pockets of high employment around schools, hospitals and council buildings.

Figure 4.11 Distribution of Employment in the Public Sector

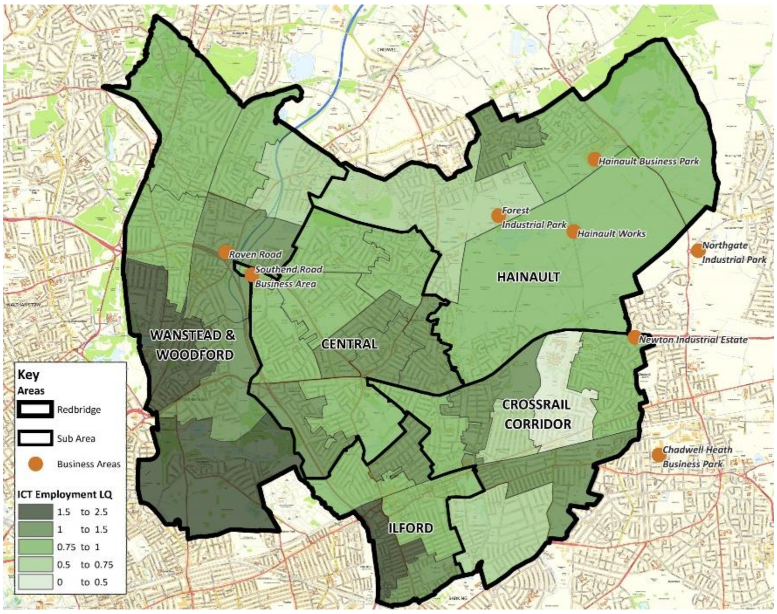


Source: ONS BRES (2014)

ICT

4.47 The ICT sector is concentrated to the South West of the borough – the area closest to Newham (and Stratford). The southern areas of Wanstead and Woodford, and Ilford have the highest specialisation in the ICT sector.

Figure 4.12 Distribution of Employment in ICT



Source: ONS BRES (2014)

Strengths of Individual Sub-Areas

4.48 A summary of the key strengths of each sub-area is provided below.

Central

- The Central sub area has a high reliance on public sector for employment (accounts for 41% of all jobs).
- The sub-area has the highest growth rate in employment in the last five years (+21%), although 50% of this has come from the public sector.
- Some of the largest employers in the Central area are Barnardo's (600 employees), Tesco (250) and Redbridge Sports and Leisure (200).

Crossrail Corridor

- There is a high reliance on public sector for employment (accounts for 45% of all jobs). This is in part due to the presence of King George's Hospital.
- It has the second highest level of employment growth of the five sub-areas (+16%), with 58% of this growth occurring in business and professional services, largely in 'other business support service activities' (SIC code 82990).
- The Crossrail Corridor has experienced the highest level of employment growth out of all the sub-areas in the ICT sector (+206%), albeit from a relatively low base.
- This sub area has had the highest growth rate in the Science and Technology sector, increasing by 73% (+960 jobs) since 2009. This sector now accounts for 12% of all employment in the Crossrail Corridor.

- Key employers in the Crossrail Corridor include the aforementioned King George's Hospital, Securitas Security (600 employees) and the East London Bus Company (400).

Hainault

- There is a high concentration of activity in advanced manufacturing, and manufacturing and construction, especially around Hainault Business Park.
- Hainault has a concentration of activity in wholesale and retail, again largely focused around Hainault Works and Hainault Business Park. Hainault has experienced the highest level of employment growth in this sector out of all the sub areas, increasing by 18% since 2009 (+280 jobs).
- Is the sub-area with the lowest employment growth rate in the last five years (7%).
- The largest employers in Hainault are almost exclusively concentrated around Hainault Business Park, and these include Starna Scientific (100 employees), Secom (80) and Select Poultry and Meat (70).

Ilford

- There is a high concentration of ICT employment towards the South of the area, within close proximity of Stratford.
- The sub-area has the highest level of employment in business and professional services, accounting for 21% of all employment.
- Ilford has the highest level of employment in the wholesale and retail sector (3,300 jobs) which accounts for 18% of employment in the sub-area. This is likely to be due to the high density of retail activity around Ilford town centre. However the sector has only experienced employment growth of 3% since 2009, and business growth 10%, both below the borough's growth level.
- The largest employers in the Ilford sub-area are largely public sector organisations, including Redbridge Council (1,330 employees in this sub-area) and the Metropolitan Police (700). Retail stores and employment agencies are the next largest employees, including Adecco UK (450 employees), Sainsbury's Supermarkets (350) and Hope Superjobs (200).

Wanstead and Woodford

- There is a high concentration of ICT employment towards the South of the area, within close proximity of Stratford.
- The sub-area has a high overall concentration of employment in manufacturing and construction (LQ = 2.4).
- Large employers within Wanstead and Woodford include Waitrose (250 employees), DeVere Care (150), London Buses (100) and Day Webster (100).

5. Baseline Note B: What is the size and shape of the borough's low carbon economy?

Summary of Key Factors which will affect the Economic Strategy

- Waste management and recycling will be key services required across London which continue to grow and will be increasingly squeezed out from inner London boroughs over the next decade, which could create an opportunity for Redbridge to build on strengths in this sector.
- Proposals for a decentralised heat scheme in the borough provide an opportunity to build the local low carbon economy in this sub-sector.
- The relative strength of the construction sector in Redbridge and the importance of low carbon technologies to the future of the construction industry also point to this being a potential focus area to develop Redbridge's low carbon economy.

Defining the LCE

5.1 The low carbon economy contains a wide range of business and employment, not all involved exclusively with activities delivering low carbon objectives. This ranges from explicit employment activities geared towards low carbon goals to others with a different focus (containing a proportion of low carbon employment nonetheless).

5.2 In order to capture the wide spectrum of the low carbon economy the Regeneris model uses assumptions on the proportion of 'low carbon employment' within any given employment activity (defined by a 5 digit SIC code). These employment activities are broadly grouped into three categories, each attributing a proportion of low carbon employment. As such primary sector employment (containing 100% low carbon employment) has a greater impact on the number of jobs in the low carbon economy.

Table 5.1 Low carbon employment and proportion of secondary/supply jobs.

Sector Type	Employment Activities	Examples	% of employment
Primary	Improving resource efficiency, enhancing/preserving the natural environment and development environmental strategies.	Waste management and recycling; developing green infrastructure; environmental consulting	100%
Secondary	Comprise an element of low carbon activities with profession and multi-disciplinary professions.	Sustainable transport; manufacture of energy equipment; research and development	38%-6%
Supply chains	Employment required to support primary and secondary activities	Manufacture of materials, construction activities and legal and accountancy services	3%

Source: Regeneris Consulting 2015

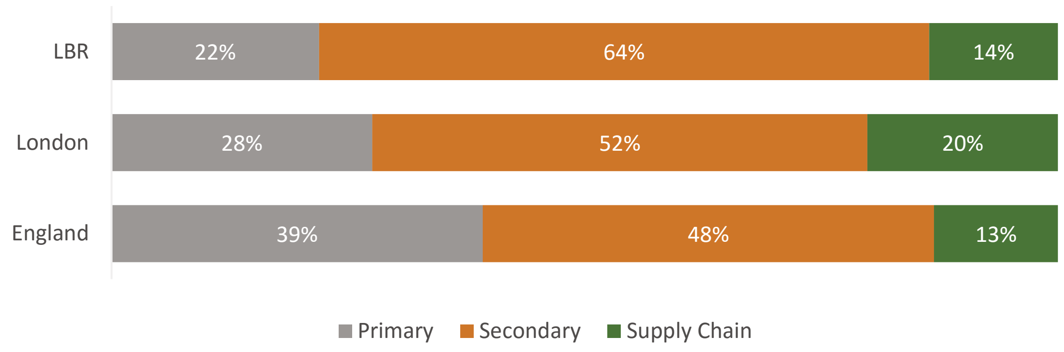
Size and shape LCE in Redbridge

5.3 The low carbon economy in Redbridge contains c.1,400 jobs, around 1.9% of all employment in the borough. This proportion of low carbon employment is fractionally below the London average (2.2% of all employment).

5.4 The largest proportion (64%) of low carbon employment in Redbridge is in the secondary sector, higher than London (52%) and England (48%).

5.5 Primary sector jobs are less prominent within Redbridge (22% of low carbon employment), lower than London (28%) and England (39%).

Figure 5.1 Comparison of primary/secondary/supply chain employment



Source: BRES 2009-2014, Regeneris 2015

5.6 Specialisms within the low carbon sector are highlighted by indicators of growth and concentration. These include:

- *sustainable transport – operation and services*: contains 41% of low carbon employment (580 jobs), has grown by +11% and has a location quotient of 1.5 vs London.
- *development and construction of buildings and civil engineering*: employment has grown by +189% in recent years and is over two times more concentrated than London.

5.7 Despite no primary employment activities falling within these parameters, *waste management, reuse and recycling* has grown by +128% in recent years and is just below the average concentration compared to London.

Table 5.2 Breakdown of Low Carbon Employment

Sector	Employment Activities	Total emp. (2014)	Emp. Growth (09-14)	% of LC emp.	LQ vs London
Primary	Waste Management, reuse, recycling	240	+128%	17%	0.9
	Green Infrastructure	60	-15%	4%	0.8
Secondary	Sustainable Transport – operation and Services	580	+11%	41%	1.5
	Development and construction of buildings and civil engineering	120	+189%	9%	2.1
	Activities of membership organisations	70	+8%	5%	1.4
Supply chain	Legal and accountancy services	60	-2%	4%	0.8
	Architects, Surveyors and Consulting	40	+72%	3%	0.7

Source: BRES 2009-2014, Regeneris 2015

5.8 The largest employer in the Borough is the Local authority, contributing a large proportion of employment to Waste Management, reuse and recycling operations and sustainable transport (operation and services). A number of smaller businesses also operate in these activities, largely employing under 20 workers.

National trends

5.9 The low carbon economy nationally comprises a larger proportion of employment than Redbridge, with c.700,000 jobs contributing towards 3% of all employment. This represents 8% growth between 2009-2014.

5.10 Evidence suggests primary sector employment is most important to the future of England's low carbon economy. Despite containing a smaller proportion of employment than the secondary sector (39% vs 48%) employment grew by 20% between 2009-2014 (compared to no growth in secondary sector employment).

5.11 This trend is driven by the shift towards green energy and infrastructure, demonstrated by a decrease in activities associated with electricity and energy and an increase in activities associated with green infrastructure and recycling.

5.12 Currently, the most important sector to England's low carbon economy is *Waste management, reuse and recycling,* containing the largest proportion of employment and a high growth rate of +23%. Population growth and falling reliance on fossil fuels will contribute towards further growth in this sector.

5.13 *Environmental consulting* has also experienced the highest rate of growth, although still comprises a small proportion of low carbon employment. Growth in this sector indicates the growing importance of the low carbon economy, with greater knowledge sharing required to inform the public and private sector.

Table 5.3 National low carbon employment – key sectors

Sector	Employment Activities	Total jobs (2014)	% of LC employment	Growth (09-14)
Primary	Waste Management, Reuse and Recycling	148,000	21%	+23%
	Green Infrastructure	71,000	10%	+13%
	Environmental Consulting	8,000	1%	+242%
Secondary	Sustainable Transport – operation and Services	80,000	12%	+3%
	Sustainable Transport - manufacture	27,000	4%	+15%
	Engineering and technical testing	26,000	4%	+26%
Supply chain	Architects, surveyors and consulting	14,000	2%	+28%
	Legal and Accountancy Services	15,000	2%	+13%

Decentralised Energy

5.14 Redbridge is currently undertaking a feasibility study into the potential of two decentralised energy sites, consisting of an energy centre and associated infrastructure. The aim is to develop proposals and attract investment towards the scheme.

5.15 The study has been awarded a total of £150k: £80k by the government's specialist energy team 'The Heat Network Delivery Units' (HNDU), £20k from the New Homes Bonus Fund and £50k from the Redbridge Climate Change Grant.

A decentralised energy scheme will works towards Redbridge Council's ambition to cut carbon emissions, reduce fuel bills and combat fuel poverty.

6. Baseline Note C: What is the size and shape of the borough's informal economy?

Summary of Key Factors which will affect the Economic Strategy
• The informal economy covers a broad spectrum of activity and is typically larger in areas where people face greater barriers to formal employment eg language, lack of qualifications etc. • There is no clear evidence on the size of the informal economy, however on the basis of available evidence it is likely to be proportionally larger in Redbridge than across London as a whole. • Supporting more individuals to operate within the formal economy and move out of the informal economy could deliver a range of benefits to the local economy and to those individuals.

What is the Informal Economy?

The informal (or shadow) economy is both difficult to define and calculate given the wide scope of activities it constitutes and the underground nature of this sector. P. Smith's (1994)[3] widely cited definition of the shadow economy is that it is the 'market-based production of goods and services, whether legal or illegal, that escapes detection in the official estimates of GDP'. Although large parts of the informal economy are illegal, there are some notable legal activities within this sector including employee discounts and DIY work.

Table 6.1 Examples of Activities within the Informal Economy Include

Tax avoidance (legal) – e.g. fringe benefits, legal tax planning	Work by illegal immigrants
Tax evasion (illegal) – e.g. underreporting or non-reporting of income	Theft
Double jobbing/moonlighting	Corruption
Home production/services - e.g. babysitting, home hairdressing, cleaning	Illegal arms trading
Petty unregulated/unreported trading and production	Money laundering
Benefits in kind	Unauthorised gambling
Infringement of copyrights - e.g. counterfeit goods	Trafficking of humans
Fraud – e.g. internet fraud	Extortion
Production, distribution and sale of narcotics	Unauthorised prostitution

6.1 Although estimates vary on the size of the informal economy, it is estimated to constitute approximately 10 per cent of GDP in the UK[4]. There are potentially huge benefits that can arise from encouraging self-employed and small businesses to formalise their arrangements. Businesses cannot flourish and receive support from the state if they remain in the shadow economy. They might be reluctant to formalise, however, if it involves admitting to past indiscretions. Worthwhile policies which may help to formalise businesses include: reducing business compliance regulation; amnesties; providing limited tax shelters for small-scale informal activity such as the provision of interest-bearing loans to relatives and friends; and allowing businesses to formalise using simple

[3] Smith, Philip. 1994. "Assessing the Size of the Underground Economy: The Canadian Statistical Perspectives," Canadian Econ. Observer, Cat. No. 11–010, 3.16–33, at 3.18.

[4] The Shadow Economy, The Institute of Economic Affairs, 2013

'off the shelf' models. Such policies have been successful in other countries – and to a limited extent in the UK – with high benefit-to-cost ratios[5].

6.2 Examining the types of informal work conducted, the 2007 Eurobarometer survey[6] reveals that 29 per cent is waged employment, 11 per cent is self-employment and 60 per cent is 'paid favours' conducted for close social relations.

The Informal Economy in Redbridge

The Size of the Informal Economy

6.3 Based on the findings of the IEA report[5], which estimates that the informal economy is approximately 10 per cent of GDP in the UK, we estimate the informal economy in Redbridge could be worth approximately £459 million[7]. This does not take into consideration any regional variations in the informal economy, which have been explored below, which show that the informal economy in Redbridge is likely to be proportionally larger than regionally and nationally.

Factors Influencing the Size of the Informal Economy

6.4 The growth of the shadow economy is caused by many different factors. The most important and often cited ones are: the rise of the burden of taxes and social security contributions; increased regulation in the official economy; forced reduction of weekly working time; workforce composition; earlier retirement; unemployment; and the decline of civic virtue and loyalty towards public institutions combined with a declining tax morale[8]. A large number of these are constant across the UK, especially labour regulation and retirement ages. However there are a number of factors which can vary from area to area, including unemployment and civic virtue.

6.5 To try and better understand these influences in the Redbridge economy and where concentrations of activity in the informal economy might occur, we have looked at a number of potential indicators which may suggest informal activity is higher than across London. Of the factors which may vary from area to area, the ones which have the most reliable data sources are unemployment levels, immigration and the proportion of the population unable to speak English.

Unemployment

6.6 Typically, the higher unemployment is, the more likely people are to engage in shadow economy activities in order to make a living and supplement income from welfare benefits[9].

6.7 Recent data on those claiming Job Seekers Allowance shows there are concentrations of unemployment around Ilford and Seven Kings, peaking at 4.0% of all economically active people claiming JSA. Redbridge has a lower proportion of people claiming JSA as a proportion of its economically active population, with 1.9% claiming it compared to 2.3% across London.

[5] The Shadow Economy, The Institute of Economic Affairs, 2013

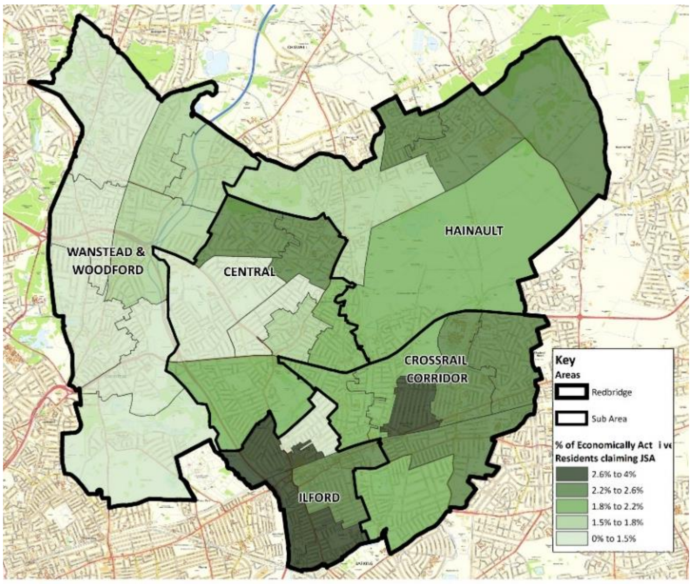
[6] European Commission (2007) Special Eurobarometer 284: undeclared work in the European Union. Brussels: European Commission

[7] This is based on Regional Accounts data (from the ONS), which estimates that total GVA in Redbridge and Waltham Forest equals £8.82 billion. This has been proportioned to Redbridge based on its share of the workforce in the combined area, which is 51%.

[8] Schneider, F. & Enste, D. Shadow Economies: Size, Causes and Consequences, Journal of Economic Literature, March 2000

[9] The Shadow Economy, The Institute of Economic Affairs, 2013

Figure 6.1 % of Economically Active Residents claiming JSA



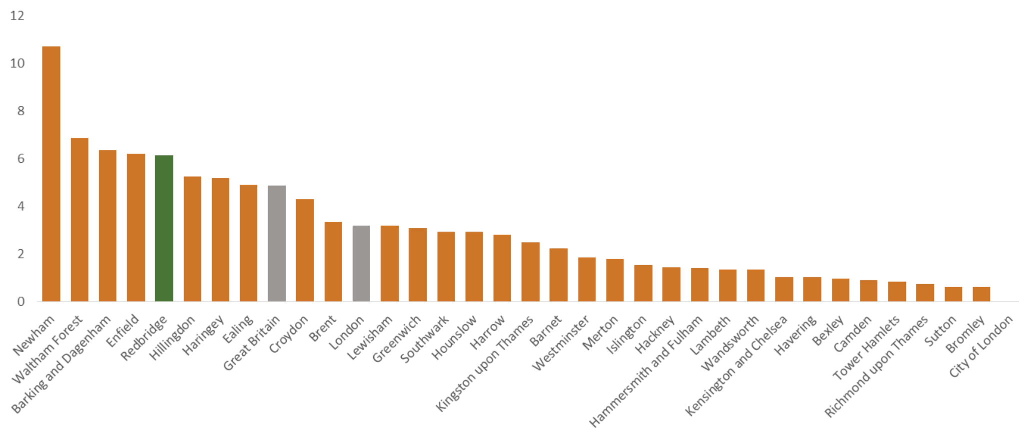
Source: JSA Claimant Data, ONS, 2016 & Census, 2011

Asylum Seekers

6.8 Research from Community Links and The Refugee Council[10] suggests that levels of participation in the informal economy by refugees and asylum seekers, although low, is slightly higher than for other parts of society. This is in part due to their lack formal qualifications or that they are unable to work given their legal status in the UK.

6.9 Redbridge has a relatively number of asylum seekers relative to its population compared with other London boroughs. Data is available for the number of people claiming Section 95 support, which is given to those how do not have adequate accommodation or enough money to meet living expenses for the next 14 days. There were 6.1 asylum seekers in Redbridge claiming Section 95 support per 10,000 population in Q2 2015, compared to 3.2 in London and 4.9 nationally.

Figure 6.2 Number of asylum seekers in receipt of Section 95 support per 10,000 population



Source: Annual Population Survey (2014) & Home Office (2015)

[10] Understanding the Informal Economic Activity of Refugees in London, Community Links and The Refugee Council, 2011

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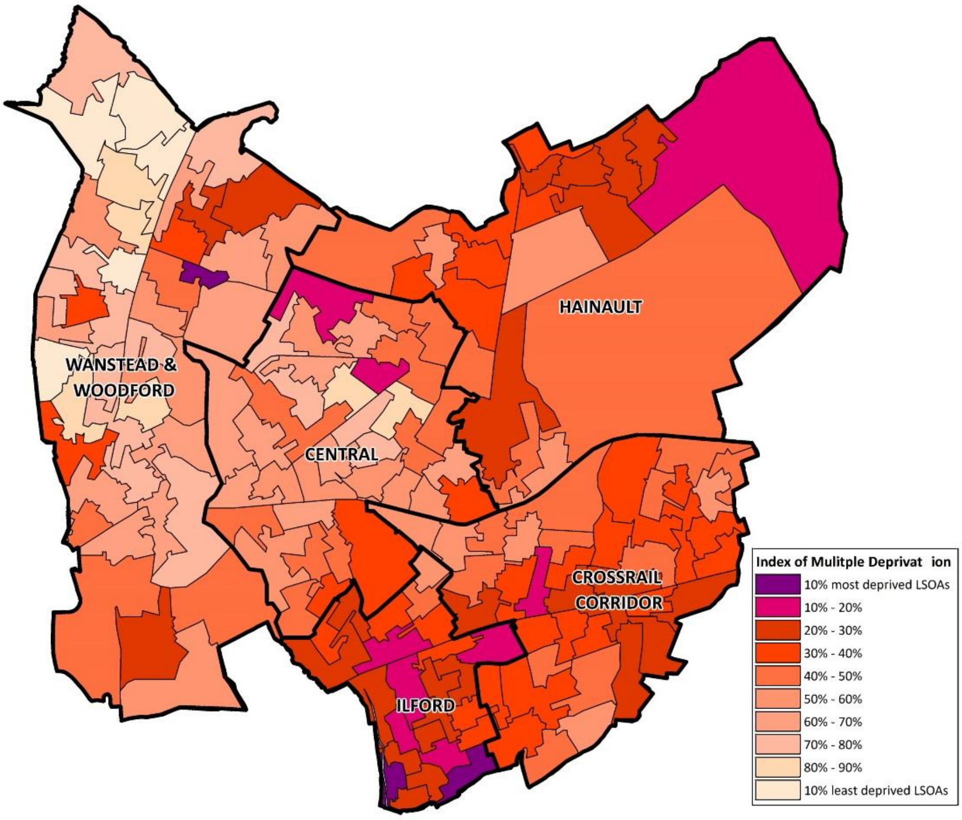
Deprivation and Poverty

6.10 The relationship between the informal sectors and poverty certainly is not simple nor does a clear, causal relationship exist. An inverse relationship between an increased informal sector and slower economic growth has been observed though[11].

6.11 The Index of Multiple Deprivation provides an indicator as to levels of poverty and deprivation at a localised level. It shows that there are higher levels of deprivation towards the south of the borough, especially in the south of the Ilford sub-area, of which two LSOAs are among the 10% most deprived in the UK. There are other small pockets of deprivation in all of the sub-areas, with another LSOA among the 10% most deprived in Wanstead and Woodford.

Figure 6.3 Index of Multiple Deprivation



Source: DCLG, 2015

Language Difficulties

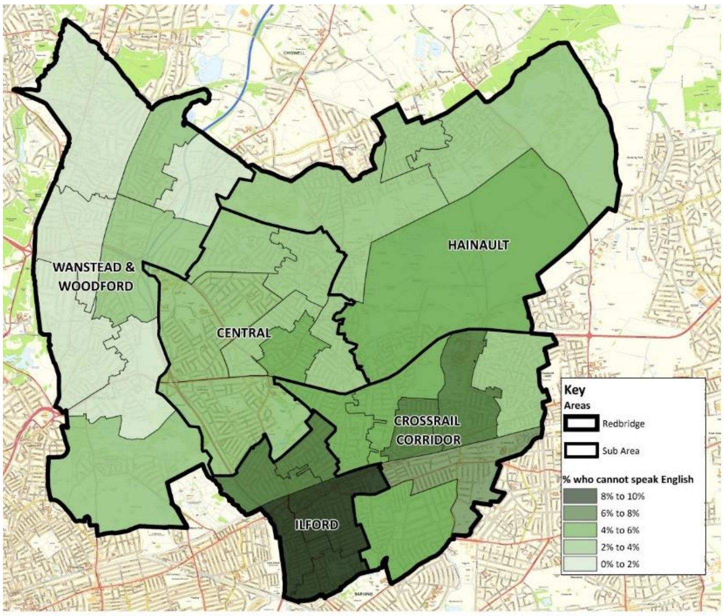
6.12 Although not applicable to all people who cannot speak English, those who don't are more likely to work in the informal economy as they are unable to understand the laws, regulations and tax procedures in the UK[12].

6.13 Data from the Census (2011) shows a significant concentration of people unable to speak English around the Ilford area, peaking at 10% of the population close to Ilford railway station. The average across Redbridge is 4.5%, slightly higher than the London wide level (4.1%).

11 UNRISD. 2010. Gender Inequalities at Home and in the Market. Chapter 4, pp. 5-33.

12 Understanding the Informal Economic Activity of Refugees in London, Community Links and The Refugee Council, 2011

Figure 6.4 % who cannot speak English



Source: Census, 2011

What Impact is the Informal Economy having on Redbridge?

6.14 The data explored above shows that the informal economy in Redbridge is likely to be proportionally large than across London. This is not necessarily a bad thing for Redbridge as the informal economy can bring positives (as well as negatives) to the area. The 2007 Eurobarometer survey[13] showed that 60 per cent of the informal economy is 'paid favours' conducted for close social relations and these transactions provide opportunities for improved social cohesion. Other positive impacts of the informal economy include:

- Job creation and income for people unable to access other opportunities (due to ineligibility or lack of opportunities)
- The informal economy can help foster entrepreneurship amongst the local population, with people initially turning to close social relations at the start of trading and not being formally set up.

6.15 However the informal economy does generate a number of negative externalities, including:

- Lower tax revenues (tax evasion) for both local and national governments
- Unfair competition on local businesses, with businesses dodging tax or copyright laws
- Disrespect for rule of law may lead to unsafe conditions for workers and poorer quality (and potentially dangerous) products for consumers
- Incomplete coverage of formal social programmes, which may lead to decreased quality of life for those 'off the radar'

[13] European Commission (2007) Special Eurobarometer 284: undeclared work in the European Union. Brussels: European Commission

7. Baseline Note D: Why has the business base increased so much recently?

Summary of Key Factors which will affect the Economic Strategy

- Entrepreneurialism is in line with the London average, but not as high as some analysis may suggest. Self-employment in the borough is in line with the London average and Redbridge ranks 17th out or 33 London boroughs with respect to business start-up rate compared to the size of the resident population.
- The recent growth in registered businesses appears high, but includes anomalous data. Once the anomalous figure are stripped out, business growth appears to be in the region of 29%, closer in line with employment growth over this period of 14%.
- Nevertheless there has been clear business growth in business and professional services (focused on the Crossrail Corridor and Ilford), ICT and Creative (focused on the Crossrail Corridor, Ilford and Hainault), and science and technology sectors (focused on the Crossrail Corridor, Ilford and Central areas)

Business Data

7.1 Official statistics for Redbridge (as shown in Baseline Note A) shows that Redbridge has experienced very strong business growth over the last five years (+47%), far exceeding employment growth (+14%). This high level of business growth raises some suspicions, and these have been further explored to understand what it is that has caused such high business growth. This has been done through interrogation of several databases which have business data including UK Business Count, the IDBR and EGi data.

7.2 Our analysis shows that there are some discrepancies in the business growth reported by official statistics. By analysing postcode data (through the IDBR dataset) we found that some postcodes have over 70 businesses registered at one location. This could be due to a large number of people registering businesses through a single address (e.g. via an employment agency or accountant), or it could be one individual registering a large number of businesses. For example one postcode in Chadwell Heath has nearly 320 businesses registered at one residential property, with these businesses having an average age of less than nine months.

7.3 By removing some of these suspect postcodes (those addresses where more than five businesses are registered at a specific address with the majority established recently), we estimate that there are 12.3% fewer businesses in Redbridge than official business statistics show. It is therefore estimated that there are approximately 10,000 - 11,000 business operating in Redbridge with a 29% increase in the business base in the last five years. This is more in line with the 14% employment growth reported.

Table 7.1 Actual & Revised Business & Employment Growth

	Businesses		Employment
	UK Business Count	IDBR	BRES
Number (2015)	12,600	11,410	76,300
Growth over last 5 years (2010-15)	47%	N/A	14%
Revised Number of Businesses (2015)	11,050	10,010	-
Difference	-1,550 (-12.3%)	-1,400 (-12.3%)	-
Revised growth over last 5 years (2010-15)	29%	-	14%

Source: ONS UK Business Count, 2015, ONS BRES, 2014 & EGi, 2015

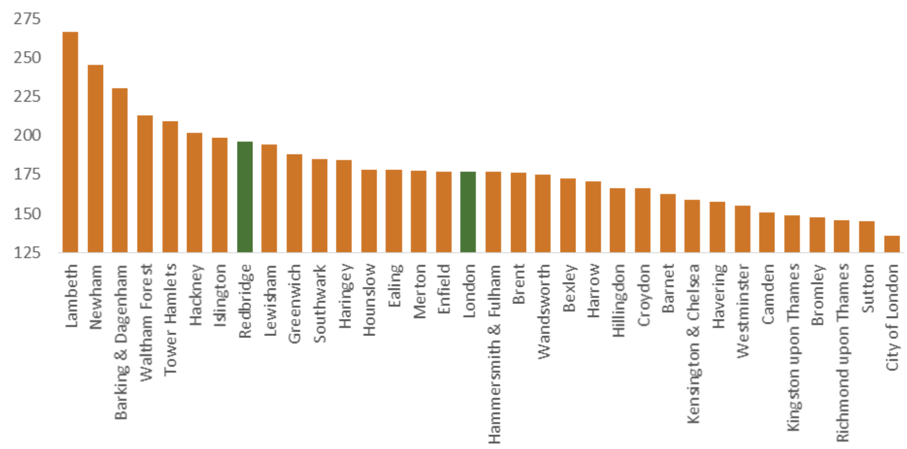
Note: Employment data is for 2014, with the five year growth measured between 2009 and 2014.

Business Start-Up Rates

7.4 There are a number of different methods of measuring the business start-up rate in Redbridge. It can measured against the current number of businesses, showing the birth rate of businesses, or it can be measured against the population, showing the entrepreneurialism of the population.

7.5 The business start-up rate per 1,000 active businesses, shows that Redbridge has the eight highest rate (196 per 1,000 active businesses) out of all the London boroughs (with an average of 177 per 1,000 active businesses).

Figure 7.1 Business Start-Up Rate (per 1,000 active businesses), 2014



Source: ONS Business Demography, 2014

7.6 Redbridge has had a consistently high business start-up rate over the last decade, higher than London as a whole, and remaining close to the level of the wider East of London area. <u>However, to a large extent, this reflects a lower existing business base compared to London as a whole</u>.

Figure 7.2 Business Start-Up Rate (per 1,000 active businesses), 2004 - 2014

Source: ONS Business Demography, 2014

Note: East London = Hackney, Newham, Tower Hamlets, Barking and Dagenham, Havering, Redbridge and Waltham Forest

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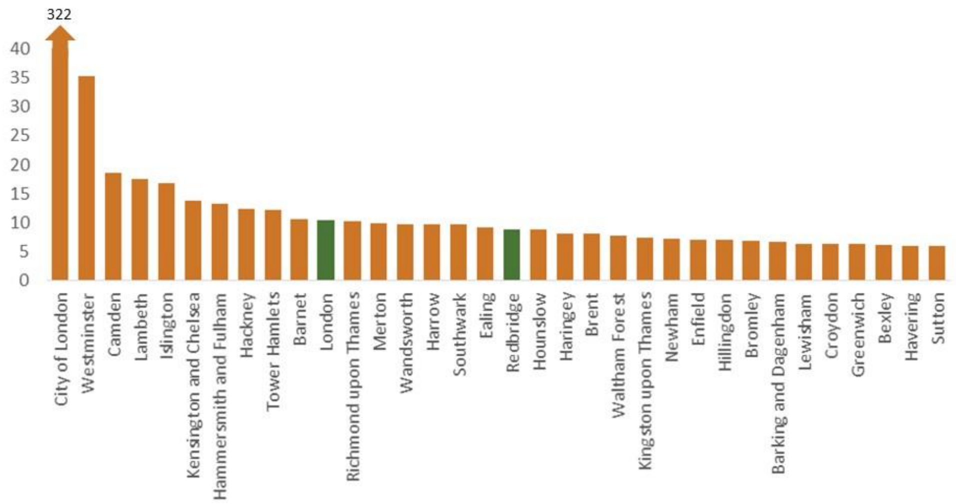
7.7 Business start-up rates as a proportion of the total population provides an indicator as to how entrepreneurial people are. The entrepreneurialism of Redbridge's population is lower than comparative London boroughs, with Redbridge ranked 17th out of 33. Caution should be exercised over this figure however, as a reasonable part of Redbridge's population do not work in Redbridge.

Figure 7.3 Business Start-Up Rate (per 1,000 population), 2014



Source: ONS Business Demography, 2014 & Mid-Year Population Estimates, 2014

What has been driving Business Start-Up Rates?

7.8 Although recognising the total scale of business growth is artificially high in the figures (as explained at the beginning if this note), it is still useful to reflect on which sectors have seen growth.

7.9 To better understand the specific cause of strong business start-up rates in Redbridge, Table 7.2 shows business growth in Redbridge by both sectors and sub-areas (as defined in Baseline Paper A). The sub-areas which have experienced the greatest growth in the business base are the Crossrail Corridor (+89%) and the Central (+64%) sub-areas.

7.10 A large amount of business growth has occurred in the cross-cutting sectors of the economy, namely the creative (+121%), ICT (+108%), science and technology (+87%) and business and professional services (+63%) sectors.

Table 7.2 Detailed Breakdown of Business Growth in Redbridge, 2010 - 15

Main Sector	Detailed Sector	W&W	Central	Ilford	Hainault	Crossrail Corridor	*Redbridge **
Manufacturing, Utilities and Transport	Manufacturing and Construction	25%	22%	58%	50%	36%	*33%*
	Transport and Logistics	67%	0%	100%	-20%	150%	*28%*
Local Service Sectors	Wholesale and Retail	26%	34%	10%	24%	44%	*13%*
	Hospitality, Leisure and Recreation	18%	108%	28%	17%	41%	*24%*
	Public Sector	55%	71%	19%	33%	79%	*45%*
	Other Services	53%	120%	100%	20%	67%	*50%*
	ICT & Creative Media	77%	109%	146%	131%	184%	*112%*
	Other Creative	26%	100%	N/A	25%	400%	*47%*

Main Sector	Detailed Sector	W&W	Central	Ilford	Hainault	Crossrail Corridor	*Redbridge **
Creative and Professional Services	Other Media	11%	0%	-75%	50%	-100%	*-3%*
	Business Support Services	132 %	60%	59%	86%	53%	*74%*
	Professional Services	54%	68%	80%	61%	139%	*64%*
Cross-Cutting Sectors	Business and Professional Services	64%	69%	77%	62%	127%	*63%*
	ICT	71%	109%	133%	115%	177%	*108%*
	Creative	91%	119%	200%	155%	240%	*121%*
	Science and Technology	72%	106%	118%	85%	191%	*87%*
Whole Economy		**48%**	**64%**	**54%**	**48%**	**89%**	***47%****

Source: ONS UK Business Count, 2015
Note: * Numbers don't' add as numbers for each MSOA are rounded down to the nearest 5 businesses.
W&W = Wanstead and Woodford
No data available for Advanced Manufacturing, and Agriculture and Mining

7.11 A more detailed examination reveals that 46% of Redbridge's business growth over the last five years has occurred across six 5-digit SIC codes (the lowest level of business categorisation). These high growth SIC codes are shown in the table below.

Table 7.3 Sub-Sectors with Highest Business Growth (5 Digit SIC Codes) & % of businesses with 0 - 4 employees

5 Digit SIC Code and Definition	Business Change (2010-15)	% Business Change (2010-15)	% of businesses with 0-4 employees	% Sole traders
62020 : Computer consultancy activities	+665	+128%	98%	59%
70229 : Management consultancy activities (other than financial management)	+430	+105%	97%	65%
82990 : Other business support service activities nec	+230	+118%	92%	57%
62012 : Business and domestic software development	+225	+265%	98%	51%
41202 : Construction of domestic buildings	+140	+108%	89%	49%
69201 : Accounting, and auditing activities	+140	+52%	84%	58%
Redbridge TOTAL	**+4,000**	**+31%**	**79%**	**45%**

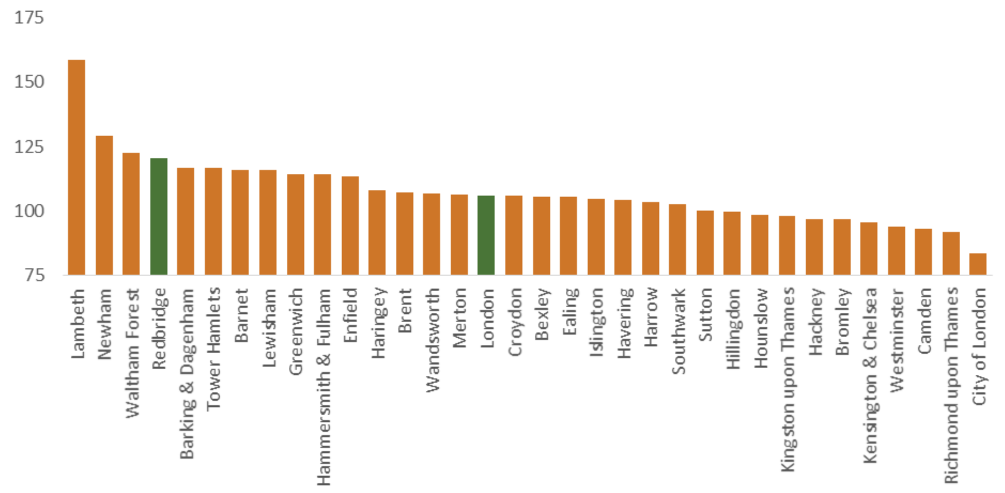
Source: UK Business Count, 2015

7.12 The four fastest growing sub-sectors, namely computer consultancy activities, management consultancy activities, other business support service activities and business and domestic software development, largely consist of businesses which have fewer than four employees, and are typically sole traders. As a result we can assume that a reasonable proportion of Redbridge's recent business growth (39%) can be explained predominately by people starting new consultancy businesses in computing and management support functions.

Present Levels of Business De-registrations

7.13 Redbridge is ranked fourth out of the 34 London boroughs, with 120 businesses dying per 1,000 active businesses in 2014, much higher than the 106 in London. Again, however, this is in part due to the relative small business base in Redbridge compared with other London boroughs.

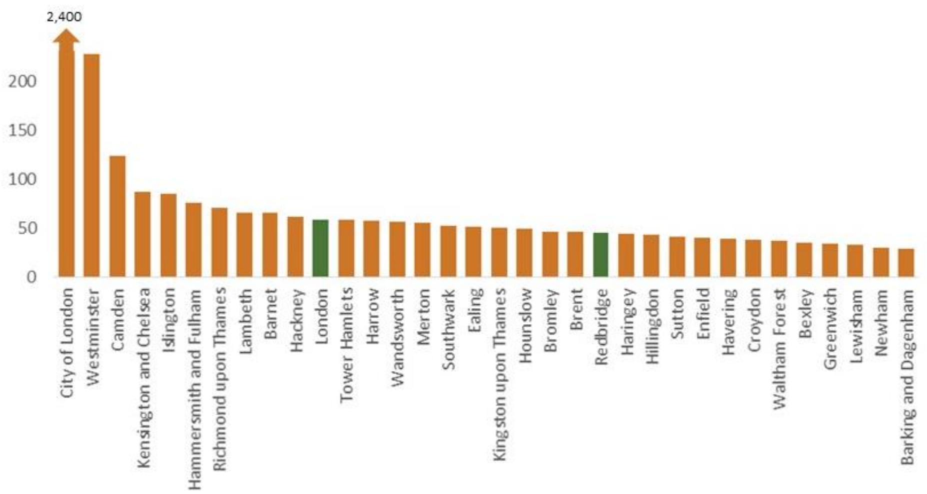
Figure 7.4 Business Death Rate (per 1,000 active businesses), 2014



Source: ONS Business Demography, 2014

7.14 Again, when comparing business death rate against the resident population, Redbridge has a relatively low business death rate per 1,000 population, with 45 business deaths per 1,000 population in 2014 compared to 59 across London. This ranks the borough 21st out of 34 London boroughs.

Figure 7.5 Business Death Rate (per 1,000 population), 2014



Source: ONS Business Demography, 2014 & Mid-Year Population Estimates, 2014

Other Indicators of Enterprise

7.15 Whilst data on business start-ups, business change and death rates provide a good indication of levels of enterprise within an economy, analysis of other indicators such as the number of sole traders, self-employment levels and home working levels helps to provide additional insight and depth to the analysis.

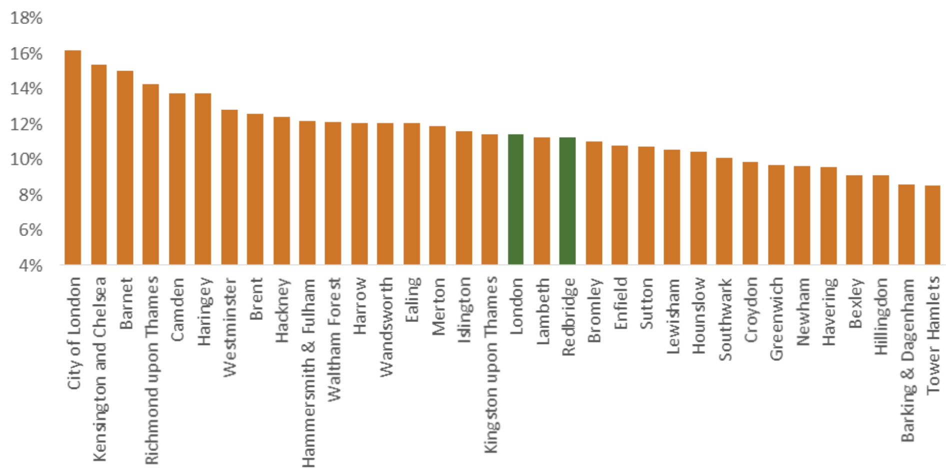
Sole Traders

7.16 Sole traders data provides a good indication of how many businesses are in the early stages of their development, and therefore recently established. IDBR data provides information from businesses who are liable for VAT and/or has at least one member of staff registered for PAYE. It does not include businesses below this threshold and so in reality the number of sole traders may in fact be higher. Nearly half Redbridge's businesses (45%) are sole-traders, with a further 21% of businesses employing an additional person.

Self-Employment

7.17 Self-employment levels provide an indication of the entrepreneurial tendencies of the local population, although it should be noted that those in self-employment may not actually work in the area in which they live. Self-employment rates in Redbridge are largely in line with the London level. Data from the 2011 Census shows that 11% of the workforce is self-employed, the same as London, ranking the borough 20th out of 34 boroughs.

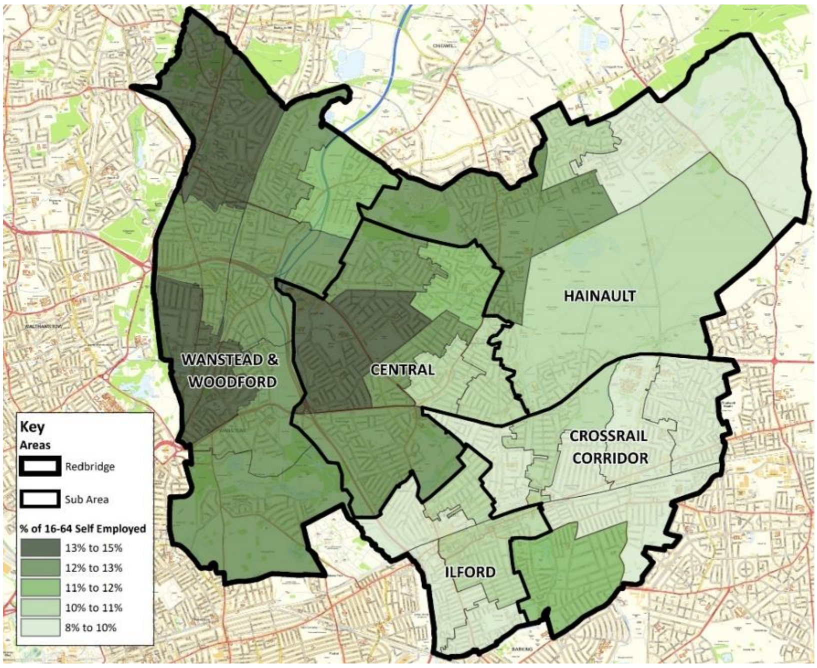
Figure 7.6 Self-Employment Rates, 2011



Source: Census, 2011

7.18 Self-employment in Redbridge is highest in the West of the borough, with the Wanstead & Woodford and Central sub-areas having more self-employed workers. By comparison, the East and South of the borough has much lower levels of self-employment.

Figure 7.7 Self-Employment at the localised level in Redbridge

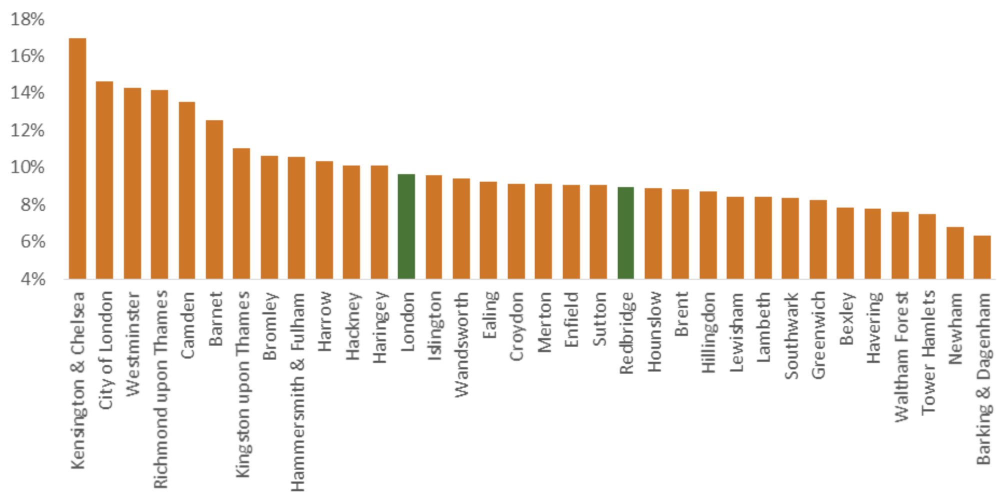


Source: Census, 2011

Homeworking

7.19 Levels of homeworking provide a further indication of enterprising activity, although it should be noted that homeworkers may not necessarily be self-employed or engaging in enterprise. Homeworking levels in Redbridge are relatively low compared to London as a whole. Data from the 2011 Census shows that 9% of workers in Redbridge work from home, ranking Redbridge 21st out of 34 London boroughs.

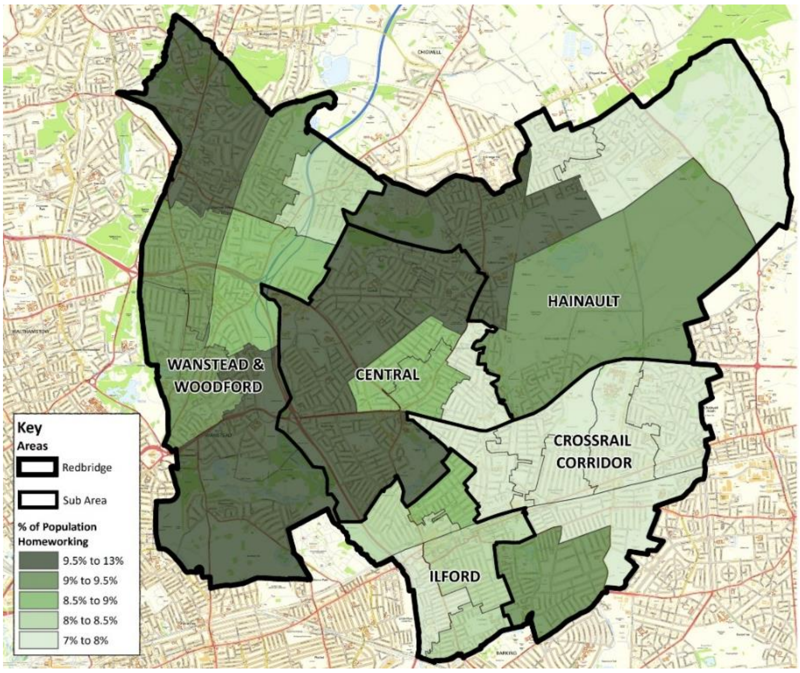
Figure 7.8 Homeworking Rates, 2011



Source: Census, 2011

7.20 There is some variation in homeworking level across Redbridge, with a similar distribution to self-employment rates. The West of the borough (in Wanstead & Woodford and Central) has a higher proportion of the workforce working from home than those in the East and South (Crossrail Corridor and Ilford).

Figure 7.9 Homeworking at the localised level in Redbridge



Source: Census, 2011

8. Baseline Note E: How can the borough attract and support increased higher education?

Summary of Key Factors which will affect the Economic Strategy

- The borough has a strong base of educated young people coming through local schools and the proportion of students with necessary grades who progress on to higher education is amongst the highest in the country
- Current HE trend amongst London universities is for retrenchment to main sites. Main exception is UEL and Birkbeck College site at Stratford.
- There are a range of non-London universities which also have a base in London, although most have sought sites within inner London boroughs.
- The presence of the Tunnelling and Underground Construction Academy is an important skills asset and may have potential to help leverage other business / education investment in the borough in this sub-sector.
- Development of a University Technical College (UTC) for the borough would provide an alternative approach to strengthening the skills base and links with industry.

8.1 A key aspiration for Redbridge, articulated at the inception stage, was to widen access to higher education (HE) and attract or partner with an institute to improve local provision, with a particular focus on STEM based subjects.

Current Assets

8.2 There are a number of educational assets already located within Redbridge, several of which offer opportunities to support the borough in its aspiration to improve its higher education offering.

8.3 Redbridge currently has no dedicated HE institution although six further education (FE) institutes offer a range of higher national diploma courses and professional qualifications between them.

8.4 The map overleaf highlights the current provision of 16+ education in the borough.

8.5 The educational attainment levels in Redbridge are high. The 19 secondary schools located in the borough have consistently produced above average GCSE results over the past 4 years with 63% of student achieving five or more A* to C grades in 2015, almost 10% more than the national average. A-level results are also above national averages with 15.5% achieving grades AAB or above in 2015 versus 14.7% nationally.[14] Redbridge has one of the highest proportions of A-Level students going on to study at university with 66% of pupils continuing to university in 2013/14 compared to a 49% average across England.[15]

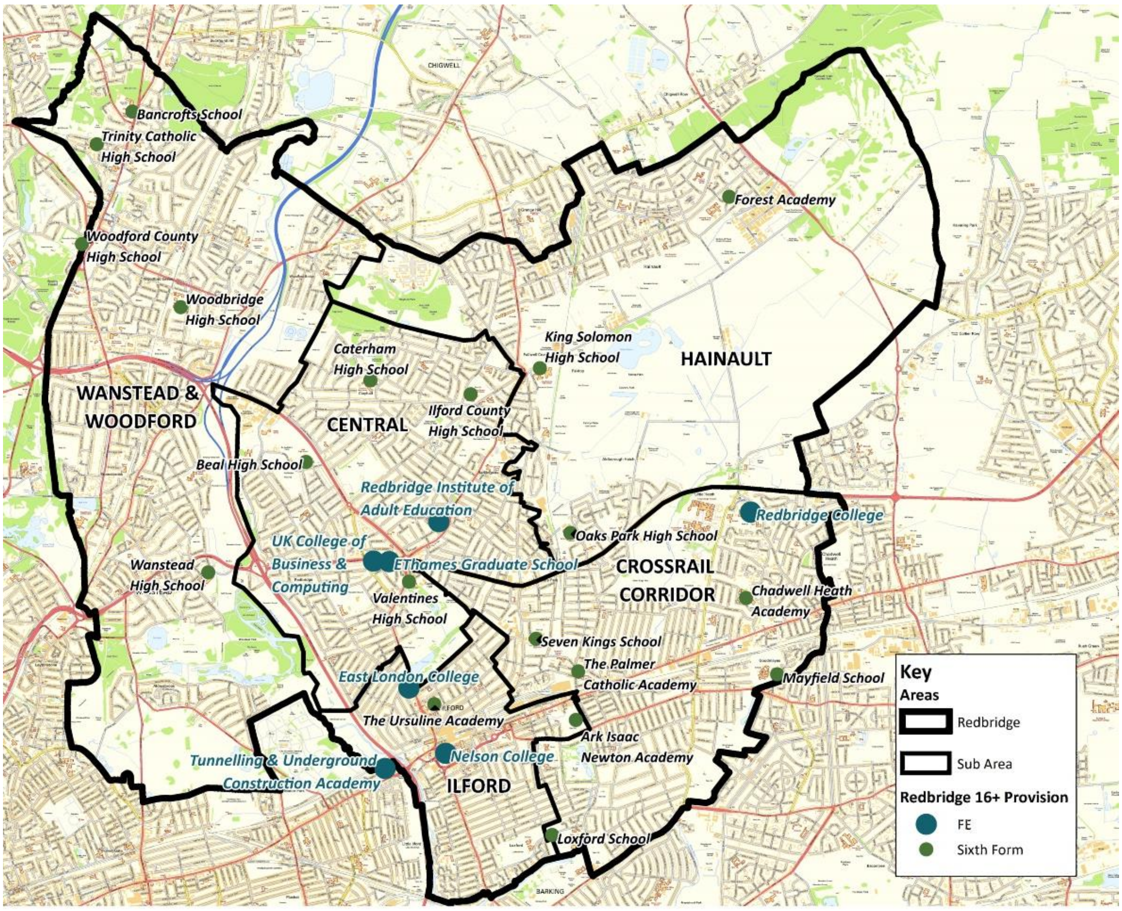
8.6 **Redbridge College** is the largest provider of further education within the borough. It is a vocational college offering a wide range of courses to 3000 students across two campuses in Chadwell Heath and Ilford Town Centre.

8.7 In November 2015 Redbridge and Tower Hamlets Colleges published a consultation document setting out their proposals for a merger to form a new college in east London with campuses in both Tower Hamlets and Redbridge.

[14] Department for Education, K34 and KS5 Results, Jan 2016

[15] Department for Education, K35 destination measures, 2013/14

Figure 8.1 16+ Education Provision in Redbridge



Source: Regeneris Consulting

8.8 The proposal has been driven by the current funding pressures and changing priorities for existing colleges. It is positioned to be part of a broader solution for FE institutions across east London with aspirations to eventually create a large sub-regional institution capable of responding to changing economic conditions and maximising growth opportunities.

8.9 If the new structure is approved it is hoped that the colleges will be better placed to access funding and investment streams from the LEP, Mayor and the EU. A more financially sound institution will give the borough more capacity to develop new specialisms based on emerging skills needs of a growing economy, which could encourage new relationships between industry and education.

8.10 **The Tunnelling and Underground Construction Academy** (TUCA) is a purpose-built facility located in Ilford providing training in the key skills required to work in tunnel excavation and underground construction.

8.11 TUCA opened in 2011 with the aim to address the shortage of people with the necessary skills to work on Crossrail and other tunnelling projects in the UK. It also has the potential to assist projects worldwide and will be retained for use as a multi-use training facility beyond the construction of Crossrail. The Academy will also act as the London centre for the National Skills Academy for Railway Engineering (NSARE).

8.12 The academy is expected to offer training to at least 3,599 people over the lifetime of the Crossrail project with the training to be delivered by the National Construction College.

8.13 The presence of the academy in Redbridge offers huge opportunities for the borough in terms of improving their construction and engineering offer, increasing the number of possible apprenticeships and being home to a sector-led centre of excellence with potential to form partnerships with other organisations. The University of Warwick School of Engineering is one potential educational institution that the academy could look to partner with given its dedicated MSc in tunnelling and underground space.

Higher Education Trends

Prime London Campuses to Attract International Students

8.14 A trend has emerged over the last five years for non-London based universities to set up a campus in the City Centre.[16] The reason for this shift has been driven by the desire to increase the recruitment of international students who are likely to be more attracted to studying in the Capital. London's concentration of financial, economic, scientific, political, and cultural activities provides strong resources for academic institutions to draw upon and increase their attractiveness to international students.

8.15 There are currently 14 non-London university campuses in the City offering mainly postgraduate programs in business, management, accountancy, tourism, law and computing. The majority have set up in central locations, often within the square mile to capitalize on London's strength as the most competitive financial centre in the world.

Table 8.1 London Campuses of non-London Universities

University	Date when London campus established	Campus Location	Links with private organisations
University of Cumbria	1999	Tower Hamlets	
University of Wales	2005	Lambeth	
Anglia Ruskin University	2007	Camden	London College of Accountancy
Coventry University	2009	City of London	
Glasgow Caledonian University	2010	Tower Hamlets	
Bangor University	2011	City of London	
Glyndwr University	2011	Kingston upon Thames	London School of managemen t sciences
University of Ulster	2011	Camden	QA Business School
University of Sunderland	2012	Tower Hamlets	Ethames Graduate School
University of Liverpool	2013	Islington	
Northumbria	2014	City of London	QA Executive Education
Warwick University	2014	Southwark	

[16] London Campuses of UK Universities, QAA, December 2014

University	Date when London campus established	Campus Location	Links with private organisations
Newcastle University	2015	Tower Hamlets	INTO
University of Loughborough	2015	Newham	
University of South Wales	2014 (withdrew 2015)	Tower Hamlets	Docklands Academy London
University of East Anglia	2010 (withdrew Jan 2014)	City of London	INTO

East London Expansion

8.16 An East London innovation and education quarter is being developed at the Queen Elizabeth Olympic Park in Stratford. The development has attracted several education institutions including a partnership between the University of East London (UEL) and Birkbeck. Both organisations share a building and work together on course development and student development programmes. Whilst UEL has been established in Stratford since 1992, Birkbeck's move to London was about catering for the needs of students for whom studying in central London was not an option. They wanted the work to be complementary to existing provision in East London with good public transport links being a key factor in finding a suitable Location.

8.17 Loughborough University has also set up a new campus on the Olympic Park. The London campus opened in 2015 and will expand Loughborough's postgraduate offering, with courses in media, creative industries, design, sport business and virtual engineering. The university see digital technology as a large growth area and were attracted by the presence of the Here East innovation quarter at the park. Here East aims to provide business incubation space for technology start-ups as well as host large companies including BT Sport.

8.18 University College London is also progressing plans to set up a base at the Olympic Park to potentially open in 2018. The campus will focus on design and heritage, experimental engineering and technology.

Opportunities for Redbridge

8.19 In order to maximize the higher education opportunities available and explore all options, the borough will need form relationships with a number of private and public sector institutions, as well as strengthening ties with neighboring boroughs.

Research Centre/Lab Space

8.20 Attracting a university linked research centre or laboratory space is one potential option for Redbridge to consider, given its good connectivity into central London and into the LSCC corridor. The presence of the King George University Hospital is an additional asset for the borough. Consultations with London and Partners highlighted a number of research centres and lab spaces which have recently been established in non-central locations, two case studies of which are outlined below.

Case Study: Cancer Research Hub, Sutton

The London Cancer Hub is a partnership between The Institute of Cancer Research, London, The Royal Marsden NHS Foundation Trust and the London Borough of Sutton – working in close collaboration with the Greater London Authority and Epsom and St Helier University Hospitals NHS Trust. It is hoped that the hub will create employment and training opportunities for local people, create R&D space for life science firms and provide laboratory and clinical facilities. The development of The London Cancer Hub will be phased over 20 years, with The Greater London Authority providing start-up funding and the remainder of the initiative funded through a combination of private investment, government grants, philanthropy and commercial rental income.

Case Study: Londoneast-UK, Dagenham Lab space

Londoneast-uk Business and Technical Park is a hub for scientific research, development and manufacturing. The 17 acre site was previously occupied by the pharmaceutical company Safoni, but is now under the ownership of SOG Group who have adapted the facilities for use by businesses seeking immediate access to high quality laboratory and manufacturing space. The site has experienced high levels of demand for their 450,000 sq ft of high-quality business and laboratory space.

8.21 Consultation evidence has also suggested that the Queen Mary University laboratory space in Aldgate is at near capacity and struggling to keep up with additional demand. Given the close proximity to Redbridge, there may be a potential opportunity here if Queen Mary are looking to expand their space in an alternative location.

8.22 University Technical College

8.23 While not a dedicated higher education institution, there is potential for Redbridge to strengthen its provision of STEM focussed education and improve the linkages between education and industry through the provision of a UTC. The presence of both TUCA and Bombardier in the borough, could support the provision of a manufacturing focused college.

8.24 The London Design and Engineering University Technical College has recently opened in Newham with support from the University of East London. The UTC which will also work closely with businesses located in the borough such as Thames Water and the London Legacy Development Corporation. It would be beneficial for LB Redbridge to reach out to Newham regarding their UTC and potential partnership opportunities.

International/UK Based University

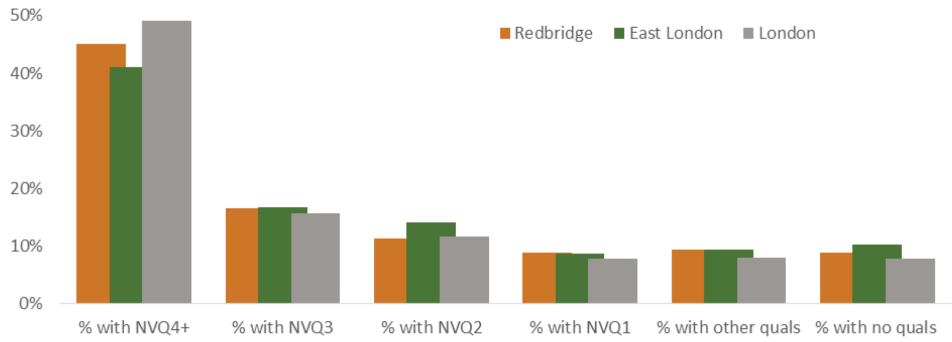
8.25 Consultation evidence has suggested that several international universities are currently looking to expand and set up in London. In addition to this, there is a trend for non-London based universities to set up campuses in the city in order to attract a greater proportion of international students.

8.26 Attracting a higher education institution would be highly ambitious and would need considerable planning, especially given the absence of higher education provision elsewhere in the borough. In order to begin such a process Redbridge would need to be able to clearly articulate their offering and market potential available sites to institutions and investors.

Qualification & Education profile

8.27 Redbridge performs comparatively well relative to the East of London area and London as a whole on its qualifications profile. Around 45% of Redbridge's working age population are qualified to degree level or above, not as high as the wider London area (49%), but higher than East London (41%). However, 9% of the population have no qualifications at all.

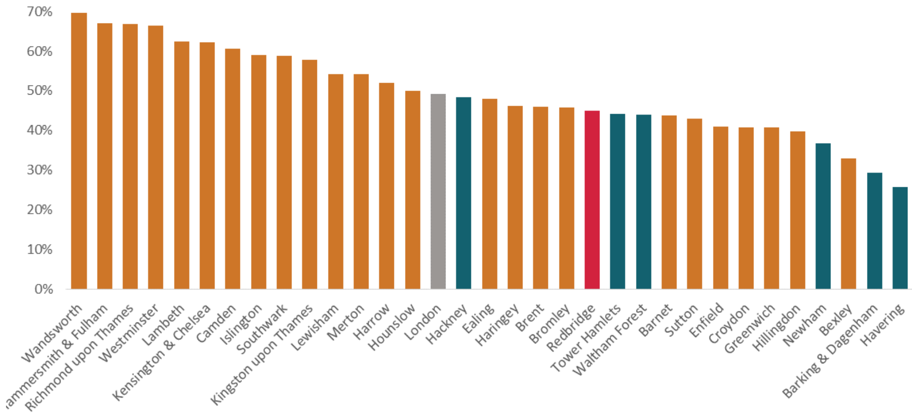
Figure 8.2 Qualification Profile of Redbridge relative to other areas, 2014



Source: Annual Population Survey, 2014

8.28 Compared to other London boroughs, Redbridge performs below average in terms of the percentage of working age population with NVQ level 4 and above. It is ranked 21st out of 33 London boroughs. However it ranks 2nd in East London behind Hackney, showing that the area performs well given its geographical location.

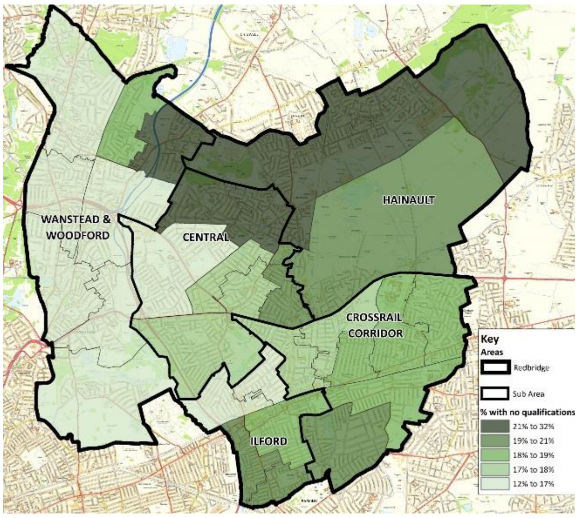
Figure 8.3 % of Working Aged Population with NVQ Level 4+



Source: Annual Population Survey (2014)
Note: The blue areas are those local authorities within East London

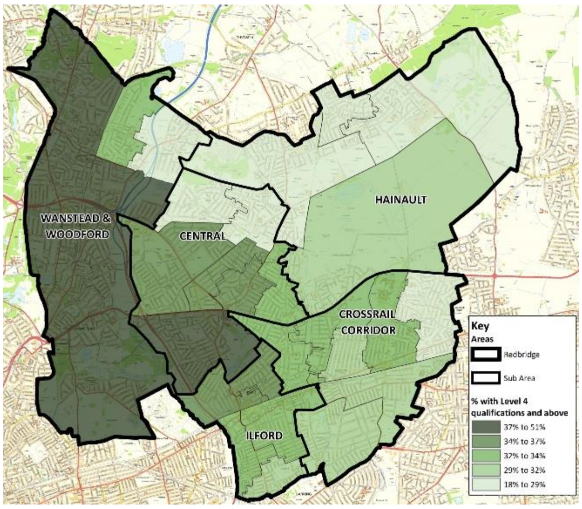
8.29 Within Redbridge, there is considerable variation across the borough on the level of qualifications attained. Those in the North East of Redbridge around Hainault are generally less highly qualified, compared to the West of the borough around Wanstead and Woodford which has the highest proportion of people qualified to NVQ level 4 and above. The reverse is true of those with no qualifications, with a high proportion of the people in the North East of the borough having no qualifications compared to those in the West.

Figure 8.4 % with no qualification



Source: Census, 2011

Figure 8.5 % with Level 4 qualification or above



Source: Census, 2011

8.30 The change in the qualifications profile over the last ten years shows that Redbridge has nearly always been between the East London and London qualification levels for both those with a degree or higher (Level 4+) and those with no qualifications.

Figure 8.6 % with no qualification

Source: Annual Population Survey, 2014

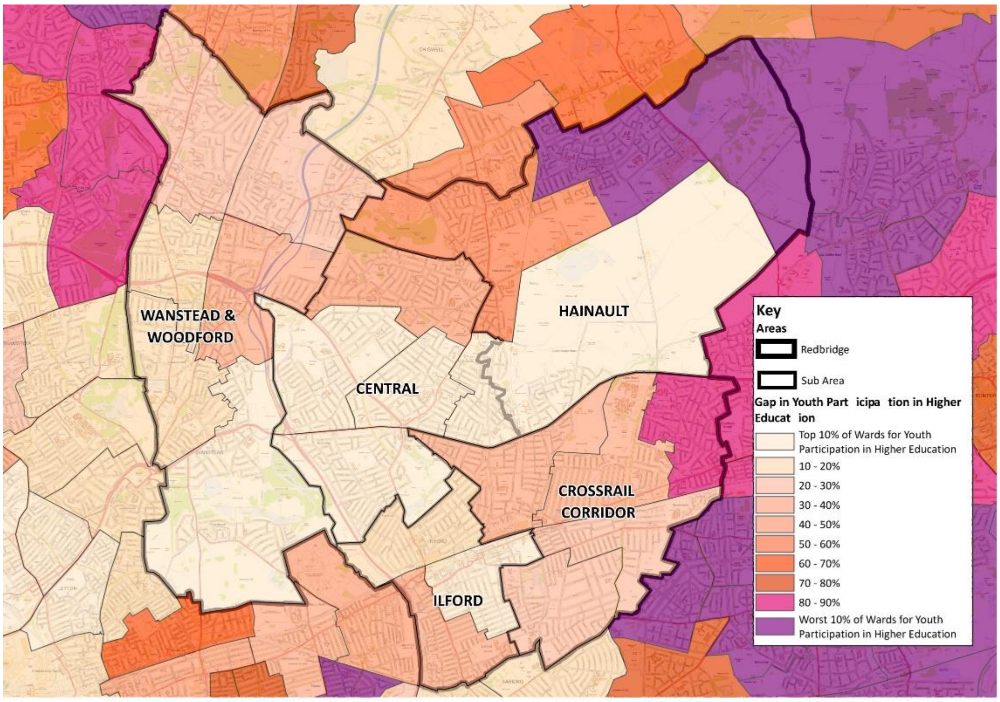
Figure 8.7 % with Level 4 qualification or above

Source: Annual Population Survey, 2014

8.31 To better understand the disparity across areas for qualifications, the Higher Education Funding Council for England analysed the gap between GCSE attainment and those progressing onto Higher Education across Wards in England.

8.32 The data shows that a higher proportion of students' in Redbridge progress onto higher education than would be expected, given their performance at GCSE. Only Northern parts of Hainault perform poorly on this indicator, with the majority of the borough in the top 20% of best performing areas in the country.

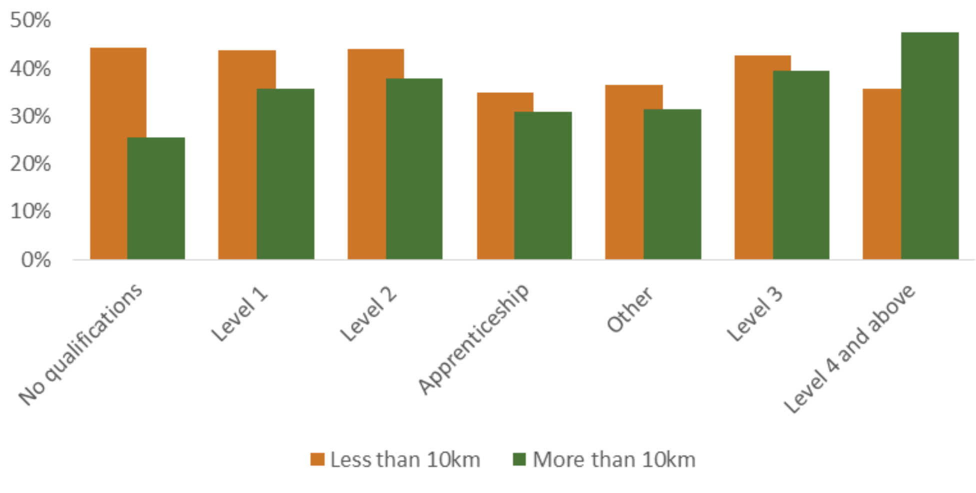
Figure 8.8 Gaps in Young Participation in Higher Education



Source: Higher Education Funding Council for England, 2015

8.33 Travel to work data again points to the fact that the borough is not able to provide the high value jobs that many Redbridge residents seek. Currently nearly half of residents (47%) travel more than 10km to work (i.e. outside of the borough), compared to only 26% of those with no qualifications.

Figure 8.9 Distance Redbridge's residents travel to work by level of qualification



Source: Census, 2011

8.34 Redbridge does struggle to retain young people especially those aged 19-22. The age profile of Redbridge shows this gap relative to London and nationally, with less than 1% of the total population aged 20 (0.98%), lower than across London (1.09%) and England (1.27%). This is especially low given that Redbridge has a higher proportion of its population aged 0-18 (27%) than in London as a whole (24%) and nationally (23%).

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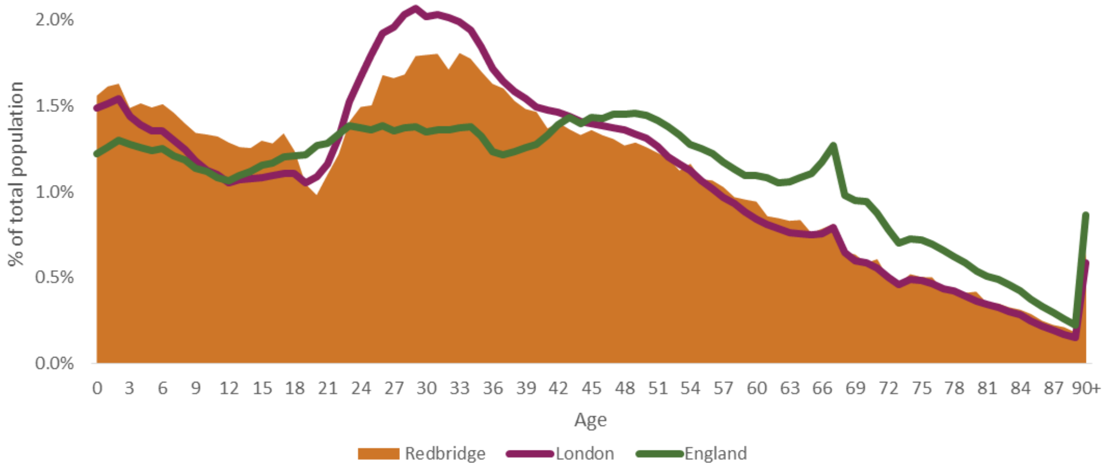
Figure 8.10 Age Profile of Redbridge relative to London and England



Source: Mid-year Population Estimates, ONS (2014)

9. Baseline Note F: What are Redbridge's most important economic linkages?

Summary of Key Factors which will affect the Economic Strategy
• Redbridge's travel to work area is closely connected to the rest of London. Only 22% of Redbridge residents work in the borough, 17% in Westminster and City of London, and 34% in other North East London boroughs. • By comparison, 44% of jobs in Redbridge are taken up by Redbridge residents, with other main sources of staffing largely coming from other outer London boroughs and parts of Essex. • Redbridge has important travel and sector linkages with key growth hubs and corridors, including London itself, as well as the Thames Gateway and London-Stansted-Cambridge corridor. Capitalising on these linkages will be important for the economic vision.

Where are Redbridge's Residents Working?

9.1 Redbridge has a very mobile population, with just under a quarter of Redbridge's workforce working in Redbridge (22%), and the rest travelling to other local authorities to work. The City of London and Westminster is the most popular destination outside of Redbridge, with 17% of the workforce working here. This is followed by Tower Hamlets (9%) – which contains Canary Wharf, Newham (8%) and Waltham Forest (5%).

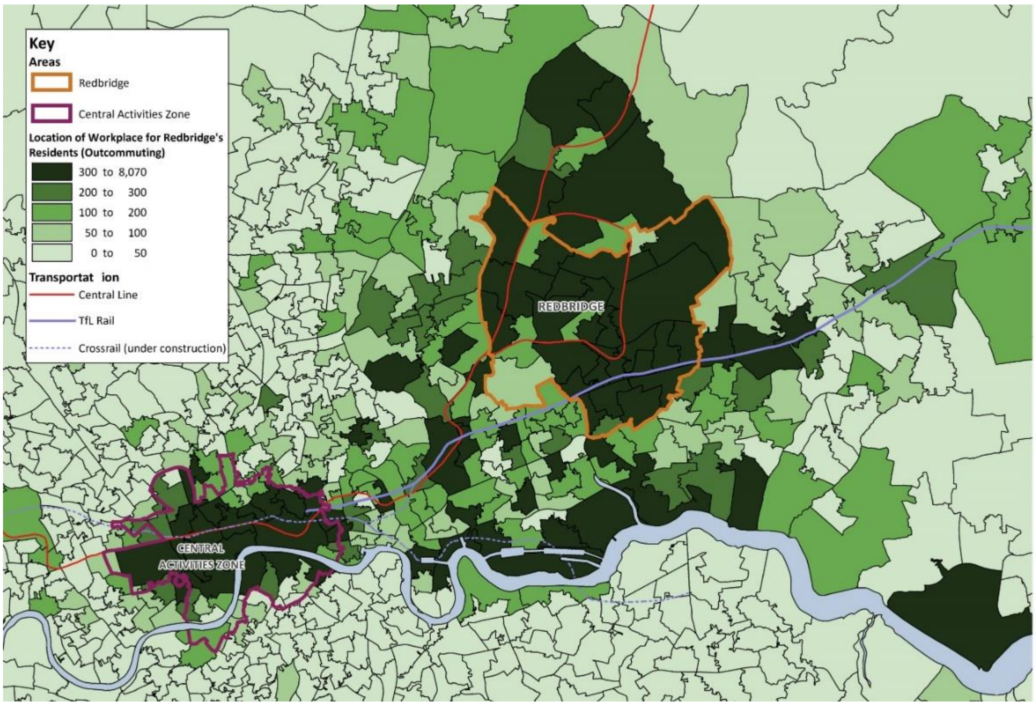
Table 9.1 Most Popular Workplace Destinations for Redbridge's Residents

Workplace (Local Authority)	Number of Redbridge residents working there	% of Redbridge's workforce
Redbridge	22,100	22%
Westminster, City of London	16,800	17%
Tower Hamlets	8,800	9%
Newham	7,700	8%
Waltham Forest	5,200	5%
Barking and Dagenham	4,600	5%
Camden	4,200	4%
Havering	3,800	4%
Islington	2,800	3%
Epping Forest	2,800	3%
Hackney	2,600	3%
Southwark	2,300	2%

Source: Census, 2011

9.2 A more localised assessment of the commuting patterns of Redbridge's residents shows that a large amount of commuting follows the key transport infrastructure, namely the Central Line and TfL Rail line (soon to be Crossrail). Significant concentrations of Redbridge's residents work in the Central Activities Zone, Canary Wharf, Stratford and the Royal Docks as well as within Redbridge itself.

Figure 9.1 Location of Workplace for Redbridge's Residents



Source: Census, 2011

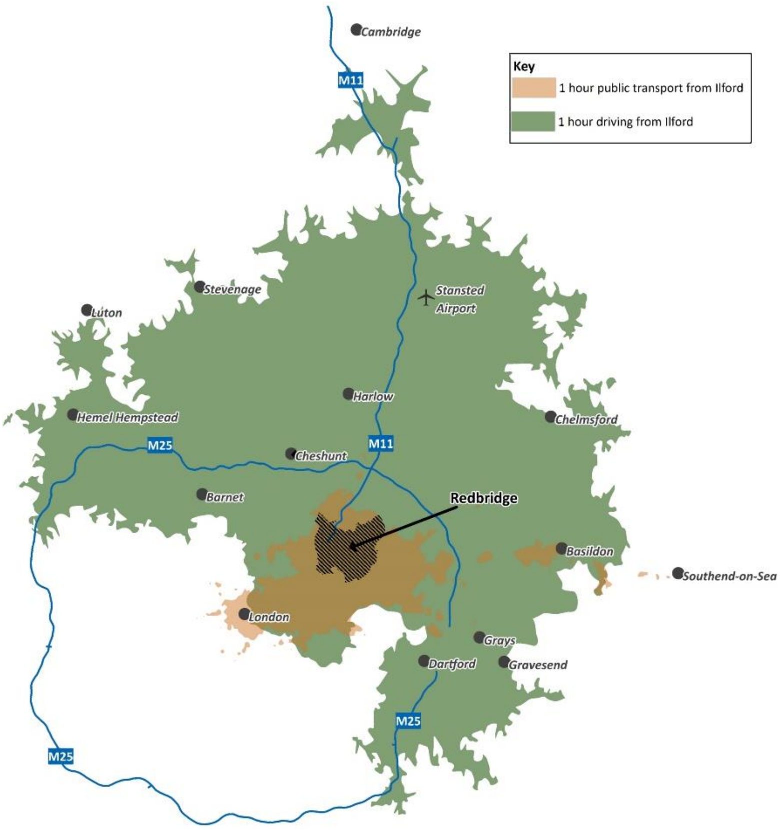
9.3 Compared to a range of comparator local authorities, Redbridge has relatively similar patterns of commuting, although it is the worst at retaining people within its own economy (with only 22% remaining in the borough).

Table 9.2 Location of Residents' workplace by Local Authority

		Place of Residence				
		Redbridge	**Barking & Dagenham**	**Enfield**	**Newham**	**Waltham Forest**
Place of Work	Redbridge	***22%***	9%	1%	3%	4%
	Westminster, City of London	**17%**	11%	12%	18%	18%
	Tower Hamlets	**9%**	7%	2%	11%	6%
	Newham	**8%**	8%	1%	***24%***	4%
	Waltham Forest	**5%**	2%	2%	3%	***23%***
	Barking and Dagenham	**5%**	***24%***	0%	3%	1%
	Camden	**4%**	3%	6%	5%	7%
	Havering	**4%**	11%	0%	1%	1%
	Islington	**3%**	2%	5%	3%	5%
	Epping Forest	**3%**	1%	1%	1%	2%
	Hackney	**3%**	2%	3%	3%	5%
	Southwark	**2%**	2%	2%	3%	2%
	Enfield	**1%**	1%	***34%***	1%	4%

9.4 Redbridge is geographically well placed, with access to markets across London, Essex and Hertfordshire. The following map shows the areas people can travel to within one hour using public transport and cars.

Figure 9.2 Travel times from Redbridge



Source: Get Travel Time (2016) & Regeneris Consulting

Sub Areas

9.5 Analysis at the sub-areas level, reveals there are differences in travel to work patterns across the borough.

- **Central** – majority of commuting is within Redbridge, to the Central Activities Zone (CAZ) and Canary Wharf. Relatively little occurs outside these areas.
- **Crossrail corridor** – as well as high commuting within Redbridge, the CAZ and Canary Wharf, there is also a lot of commuting to Stratford and the Royal Docks.
- **Hainault** – a large number of commuters stay close to Hainault, working at Hainault Business Park, as well as travelling to Chigwell (to the North) as well as the CAZ and Canary Wharf.
- **Ilford** – a lot of commuting is done parallel to the TfL railway line, with many commuting to Romford, Stratford, the CAZ and Canary Wharf.
- **Wanstead & Woodford** – has the largest spread of commuting patterns, with many travelling to Chigwell (to the North), into Waltham Forest, Stratford and the CAZ

Figure 9.3 Central out commuting

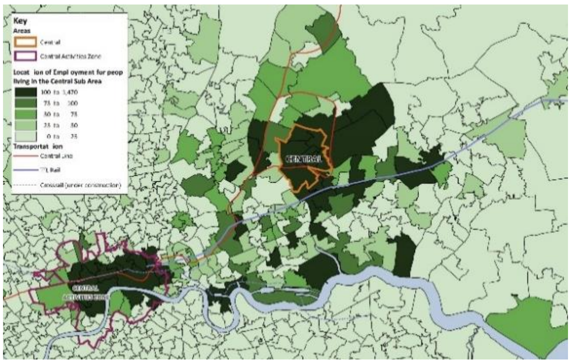


Figure 9.4 Crossrail Corridor out commuting

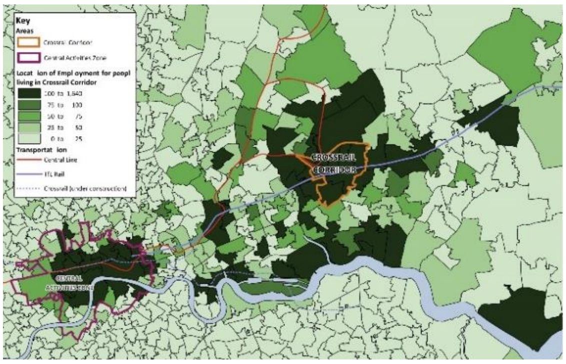


Figure 9.5 Hainault out commuting

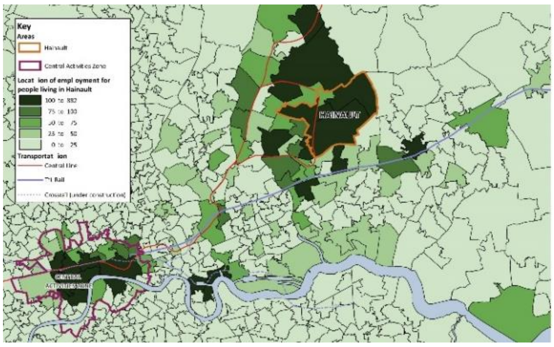


Figure 9.6 Ilford out commuting

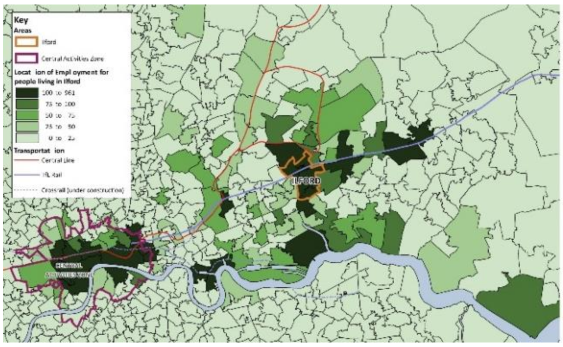
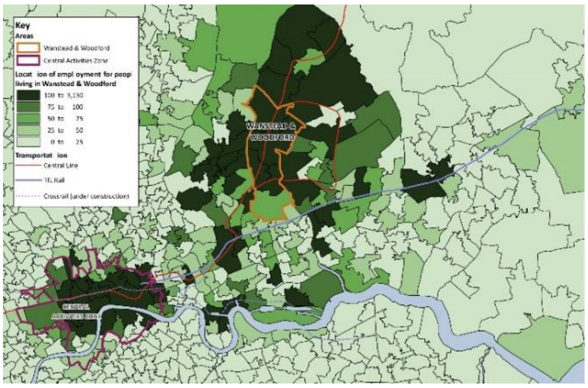


Figure 9.7 Wanstead & Woodford out commuting



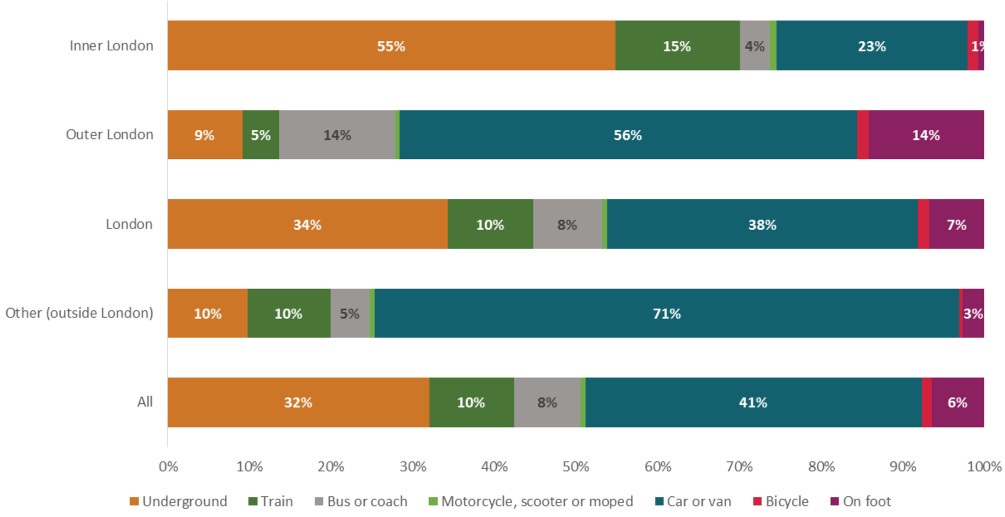
Source: Census, 2011

How Do Redbridge's Residents Travel to Work?

9.6 The method of transport used by Redbridge's residents to get to work varies considerably by the location of their workplace. Of those working in Inner London boroughs, 55% take the underground and a further 15% take the train. Only a quarter of trips are made using private transport.

9.7 By comparison, of those working in Outer London boroughs, over half travel by car (56%), whereas only 28% use public transport. For those travelling outside of London, this increases further, with 71% of commuters travelling by car, compared to 25% using public transport.

Figure 9.8 Method of Travel to Work for Redbridge's Residents by location of workplace

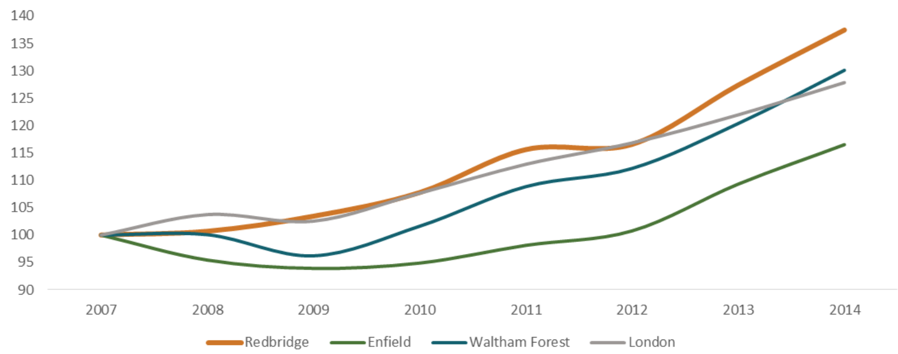


Source: Census, 2011

Underground/Rail

9.8 An analysis of the station entries and exits from stations within Redbridge, shows that they have increased at a faster rate than comparator boroughs and the wider London level. The number of station entries and exits for Redbridge stations has increased by 37% since 2007, compared to 30% in Waltham Forest, 17% in Enfield and 28% across London. There were total of 53,925,000 entries and exits at Redbridge's Underground and National Rail stations in 2014.

Figure 9.9 Entries and Exits at London Underground and National Rail Stations



Source: Office of Rail and Road & TfL, 2015 Note: Indexed data, with 2007 = 100

9.9 An analysis of all Underground and National Rail stations in Redbridge shows that Ilford (8.02 million entries and exits), Gants Hill (6.56 million) and Woodford (5.87 million) were the most popular stations in 2014. The stations which have experienced the highest increases in entries and exits have been Underground stations, which combined have seen a 40% increase in the number of entries and exits since 2007, compared to a 32% increase at National Rail stations. Stations with the highest increase in entries and exits since 2007 are Barkingside (57%), Fairlop (56%), Hainault (55%) and Grange Hill (52%).

Table 9.3 Individual Station Entrances and Exits, 2014

Station	Type	2014 Entry & Exits	% Growth (2007-14)
Ilford	Rail	8,022,000	31%
Gants Hill	Underground	6,561,000	45%
Woodford	Underground	5,870,000	38%
South Woodford	Underground	5,031,000	36%
Newbury Park	Underground	4,619,000	37%
Hainault	Underground	3,482,000	55%
Wanstead	Underground	3,090,000	40%
Chadwell Heath	Rail	3,007,000	28%
Redbridge	Underground	2,909,000	28%
Goodmayes	Rail	2,833,000	35%
Snaresbrook	Underground	2,782,000	29%
Seven Kings	Rail	2,424,000	37%
Barkingside	Underground	1,352,000	57%
Fairlop	Underground	1,089,000	56%
Grange Hill	Underground	600,000	52%
Roding Valley	Underground	255,000	27%
Redbridge TOTAL	**Underground**	**37,639,000**	**40%**
Redbridge TOTAL	**Rail**	**16,286,000**	**32%**
Redbridge TOTAL	**Underground & Rail**	**53,925,000**	**37%**
London TOTAL	***Underground & Rail***	***5,680,662,000***	***28%***

Source: Office of Rail and Road & TfL, 2015

Where is Redbridge's Workforce From?

9.10 People working in Redbridge generally live within the borough, with 41% of the workforce living in Redbridge. The most popular origin for people commuting to Redbridge from outside the borough is Barking and Dagenham (10%), Havering (9%), Waltham Forest (7%) and Newham (6%), all of which are neighbouring boroughs.

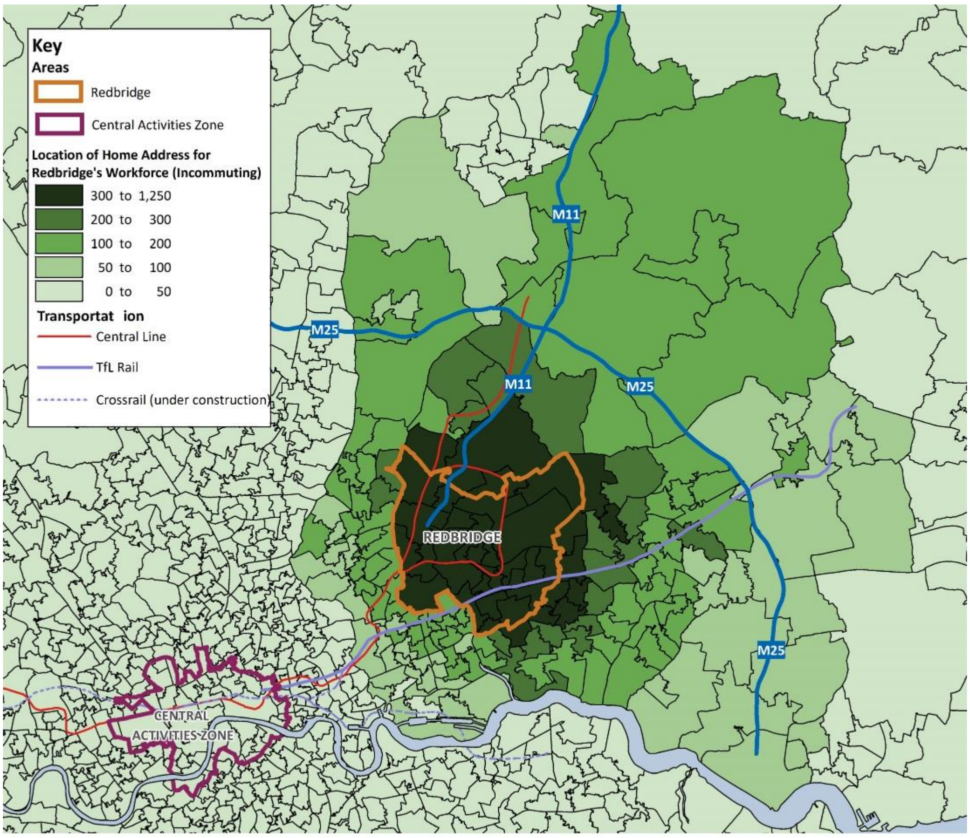
Table 9.4 Origin of Redbridge's Workforce, 2011

Local Authority	% of Redbridge's workforce
Redbridge	41%
Barking and Dagenham	10%
Havering	9%
Waltham Forest	7%
Newham	6%
Epping Forest	6%
Thurrock	2%
Brentwood	1%

Source: Census, 2011

9.11 The map below shows how localised the areas from which Redbridge's workforce lives. The most popular areas are within the borough, or those directly bordering the borough, with some travelling from further afield along the M11.

Figure 9.10 Location of Home Address for Redbridge's Workforce

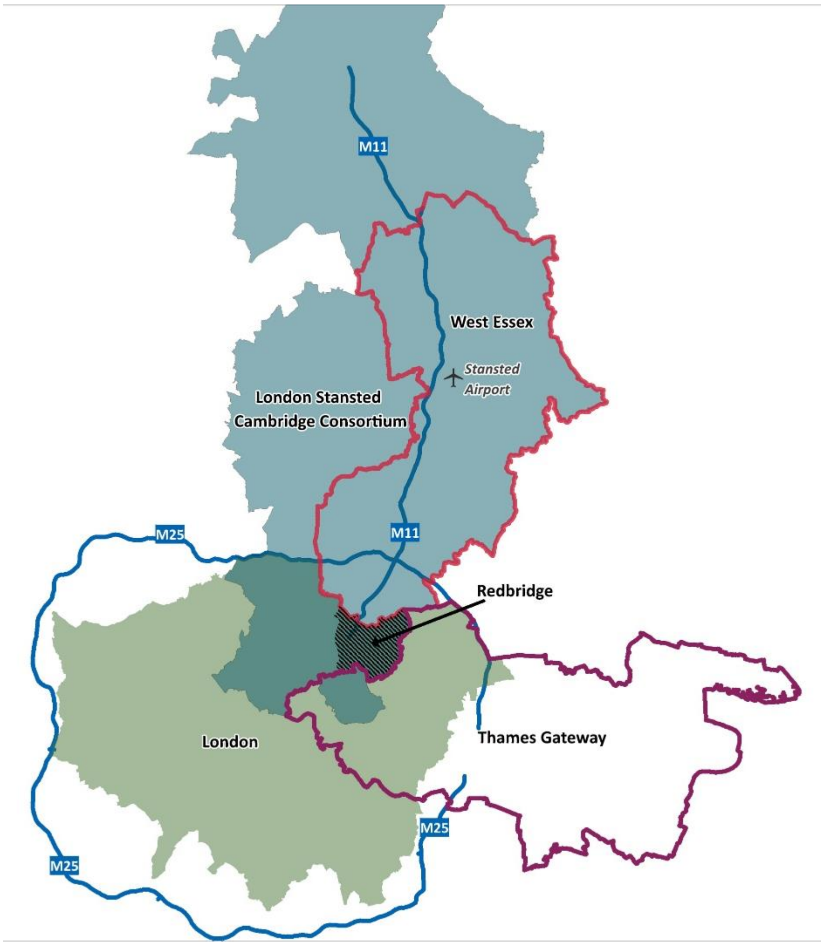


Source: Census, 2011

What are Redbridge's Most Important Economic Linkages

9.12 Given Redbridge's geographical location it is included in a number of important economic groups, of which it has a significant role to play. As well as being a borough of London, Redbridge lies within the London Stansted Cambridge Corridor, and on the border of the Thames Gateway, and West Essex areas. This presents a number of opportunities economically for the borough. This section seeks to understand which of these economic linkages are most important for it to progress.

Figure 9.11 Redbridge's Economic Linkages



Source: Regeneris Consulting

London

9.13 The Greater London area is represented by a number of bodies, including the GLA, The London Enterprise Panel and the Mayor of London. All of these have a number of objectives for the London area, with the London Enterprise Panel's Agenda for Jobs Growth aiming to deliver a London economy with:

- The fastest income growth among cities of its scale and type, with growth in GVA per head that is faster over the long term than New York, Paris or Tokyo's, and that delivers more benefit to the wider UK.
- Job growth that translates into opportunity, with employment rates higher than both the UK average and the equivalent rates in New York and Paris.
- Diversity and resilience, with strong performance across more of the economy in order to improve the city's resilience against crises, with no single sector driving more than 40% of GVA or jobs growth.

Headline growth projections

9.14 Growth across the wider London area is expected to be strong, with output increasing by approximately 2.8% over the next two years and employment increasing by 1.2% in 2016 and 1.0% in 2017. This suggests that London's productivity is set to increase over the period.

Table 9.5 Average Growth Forecasts for Output and Employment (%)

		2015	2016	2017
Output	**Overall**	**3.1**	**2.8**	**2.8**
	Manufacturing	1.2	1.6	1.7
	Distribution, accommodation & food	3.7	2.8	2.6
	Finance and Business	3.7	3.3	3.2
	Construction	3.0	3.3	3.1
	Other (public & private) services	1.1	1.2	1.4
Employment	**Overall**	**1.6**	**1.2**	**1.0**
	Manufacturing	1.1	-0.5	-0.3
	Distribution, accommodation & food	2.5	1.4	1.1
	Finance and Business	2.4	2.1	1.5
	Construction	3.8	2.0	1.7
	Other (public & private) services	-0.7	0.1	0.2

Source: London's Economic Forecast, GLA, 2015

Sector aspirations

9.15 At the London level there are a number of sectors which are being targeted which have the potential to generate a high level of economic development. These are:

- **Creative**: The London Enterprise Panel's Agenda for Jobs Growth sets out ambitions to establish a 'creative engine', building on London's strengths in academia, museums and galleries and the entrepreneurial clusters which have made the city's technology and information workforce outside manufacturing as large as San Francisco and San Jose combined. To achieve growth in the creative sector, there is a need to train more technical talent, improve digital connectivity and improve funding opportunities for growing SMEs. Industries within this sector which are being targeted are ICT and Digital Media and wider media activities.

- **Finance and Business**: The Mayor of London's Economic Development Strategy has ambitions to make London's economy the most competitive business environment in the world, with further ambitions to promote London as the world capital of business.

- **Low Carbon**: The low carbon economy is another sector targeted in London[17], with ambitions to make London one of the world's leading low carbon capitals by 2025 and a world leader in carbon finance.

- **Life Sciences**: the Mayor's 2020 Vision[18] notes the importance of the high value bio-tech, nano-tech and green-tech sectors which are increasingly choosing to locate in London. These will help spur research and development, and help with the aging population of the UK (and the developed world).

[17] As mentioned in the Mayor of London's Economic Development Strategy (2010)

[18] 2020 Vision: The Greatest City on Earth, Mayor of London (2013)

Redbridge's Links

9.16 Redbridge has very strong links with London, with over two-thirds of its resident workforce commuting to other London boroughs. In addition other London boroughs supply over a third of Redbridge's workforce, and this relationship is being further strengthened as shown by increasing patronage on the rail and tube networks.

9.17 Redbridge's own economy has strengths in several of London's target sectors. Its relative strengths in the ICT & Creative Media sector position it will to take advantage of future opportunities in London. This sector currently accounts for 14% of businesses, having grown by 115% over the last five years. Redbridge also has a growing low carbon economy, with waste management, reuse and recycling being highly specialised in the borough. This

9.18 Redbridge's already close connections to London and the introduction of Crossrail will further strengthen its bonds with the wider city and help to put Redbridge on the map.

London Stansted Cambridge Consortium

9.19 The London Stansted Cambridge Consortium (LSCC) was formed in June 2013 as a strategic partnership of public and private organisations covering the area north from the Royal Docks, Tech City, the City Fringe, Kings Cross, and the Olympic Park, up through the Lee Valley, the M11, A1 and A10 road, the East Coast and West Anglia Mainline rail corridors to Stevenage, Harlow and Stansted, and through to Cambridge and Peterborough.

9.20 The consortium brings together public and private sector organisations which have the common aim of seeking economic growth, higher employment rates, providing places for people and business while preserving the quality and character of the corridor. It has ambitions to deliver 117,000 new homes, 170,000 new jobs and will become a world centre for life sciences.

9.21 The consortium's focus is to promote the economic development of the area which is currently home to over 2 million people and has strong business clusters. The area's key growth sectors are:

- Life science and medical
- IT, digital, and media
- Low carbon, clean tech and energy from waste
- Food production,
- Business services,
- Engineering, transport, logistics and distribution,

Redbridge's Links

9.22 Redbridge has a strong commuting relationship with the LSCC, in part due its strategic location on the M11, which gives it access to large parts of the area within a one hour travel time.

9.23 The positioning of Stansted Airport within this area offers a good international gateway to a number of destinations and this should be used to attract business to the area.

9.24 The borough shares similar sector strengths to LSCC, with strong performance in ICT and some areas in the Low Carbon economy. This give local businesses a good opportunity to enter new markets in the LSCC and take advantage of potential opportunities which may arise from increased investment in the area.

Thames Gateway

9.25 The Thames Gateway is Europe's largest regeneration project, stretching 40 miles along the Thames estuary from Canary Wharf in London to Southend in Essex and Sittingbourne in Kent. The area includes the largest designated brownfield site in the south of England, which is intended to become a leading eco-region. The Thames Gateway is a cluster of cities, towns and villages around the Thames estuary.

9.26 The Government anticipates the Thames Gateway will provide environmental jobs and lead the way with a greater use of renewables and new technologies. Carbon neutral improvements to both new and existing homes and buildings will aim to create a leading eco-region for the rest of the country to follow.

9.27 The Thames Gateway Delivery Plan represented the first steps towards promoting higher standards for cutting carbon emissions, water conservation, reducing waste, and protecting people against flood risk. The plan also announced that DCLG will invite proposals for the country's first eco-quarter in the gateway, similar to eco-towns but being based in an existing urban area.

9.28 The gateway was established as a national policy priority in 1994, with the publication of Thames Gateway Regional Planning Guidance by the Department of Environment. In 2003, the launch of the Sustainable Communities Plan put further focus on the Thames gateway as one of the key growth areas in the south east.

Redbridge's Links

9.29 Although Redbridge does not lie within the Thames Gateway area, the regeneration of this area provides an opportunity for Redbridge to supply it and engage with the eco-friendly nature of the project. Redbridge's developing low carbon economy could benefit from engaging with the area, especially in the construction sector.

West Essex Alliance

9.30 The West Essex Alliance is made up of the districts of Epping Forest, Harlow and Uttlesford. The West Essex/M11 corridor presents an opportunity, in close proximity to London and Cambridge, to deliver sustainable economic and housing growth. With the M11 providing an economic 'artery' for the West of Essex and beyond, and Harlow at its sub-regional centre the area has over a quarter of a million residents, 14,000 business and 115,000 jobs. The main employment sectors targeted by the West Essex Alliance are:

- Advanced manufacturing
- ICT
- Life Sciences

Redbridge's Links

9.31 Redbridge has comparable links to the West Essex Alliance as it does to the LSCC, as these cover similar geographies.

9.32 Redbridge's employment and business strength in ICT show that there is a potential link between the two areas. The strength of the Advanced Manufacturing sector around Harlow is also something that Redbridge should look to exploit, either by supplying it, or providing a secondary service such as transport and logistics.

9.33 The positioning of Stansted Airport within this area offers a good international gateway to a number of destinations and this connection should be taken advantage of.

10. Baseline Note G: How does Redbridge perform on wages and productivity?

Summary of Key Factors which will affect the Economic Strategy

- There is a mismatch between the relatively high skill levels of residents in the borough and the relatively low skilled jobs available. As such most higher skilled residents travel out of the borough into central London to access higher value jobs.
- Productivity of jobs that exist in the borough are lower than all other parts of London.
- To encourage more Redbridge residents to work in the borough, there is a need to create more high-skilled, high-value jobs in the borough.

10.1 The Annual Survey of Hours and Earnings provide estimates for people living in an area based on a 1% sample of employee jobs taken from HM Revenue and Customs PAYE records. Headline statistics are available for median data, able to provide an average of earnings which are less affected by a relatively small number of very high earners.

10.2 This data suggests a high level of earnings for residents in Redbridge, with a higher median weekly income (£653) than the London average (£533) and England average (£620).

10.3 However, the evidence indicates that these relatively high earnings are based on jobs outside the borough, given that the average median weekly full-time pay of people who reside in the borough (£621) is significantly higher than those who work in the borough (£552).

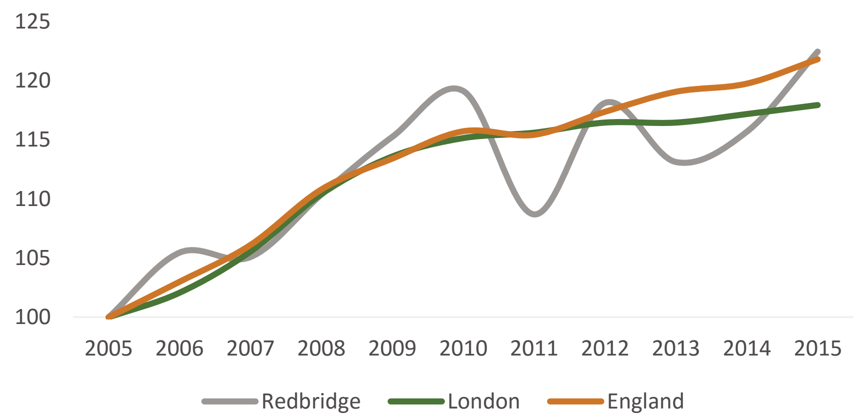
Table 10.1 Summary of median earnings

	Weekly Pay - Gross	Absolute change (05-15)	% change (05-15)
Redbridge	£653	+£120	+22%
London	£533	+94	+22%
England	£620	+95	+18%

Source: Annual Survey of Hours and Earnings, 2005-2015

10.4 Earnings have grown over the last 10 years (+22%) in line with London (+22%) and England (+18%).

Figure 10.1 Indexed Median Weekly Earnings Growth (2005=100)



Source: Annual Survey of Hours and Earnings, 2005-2015

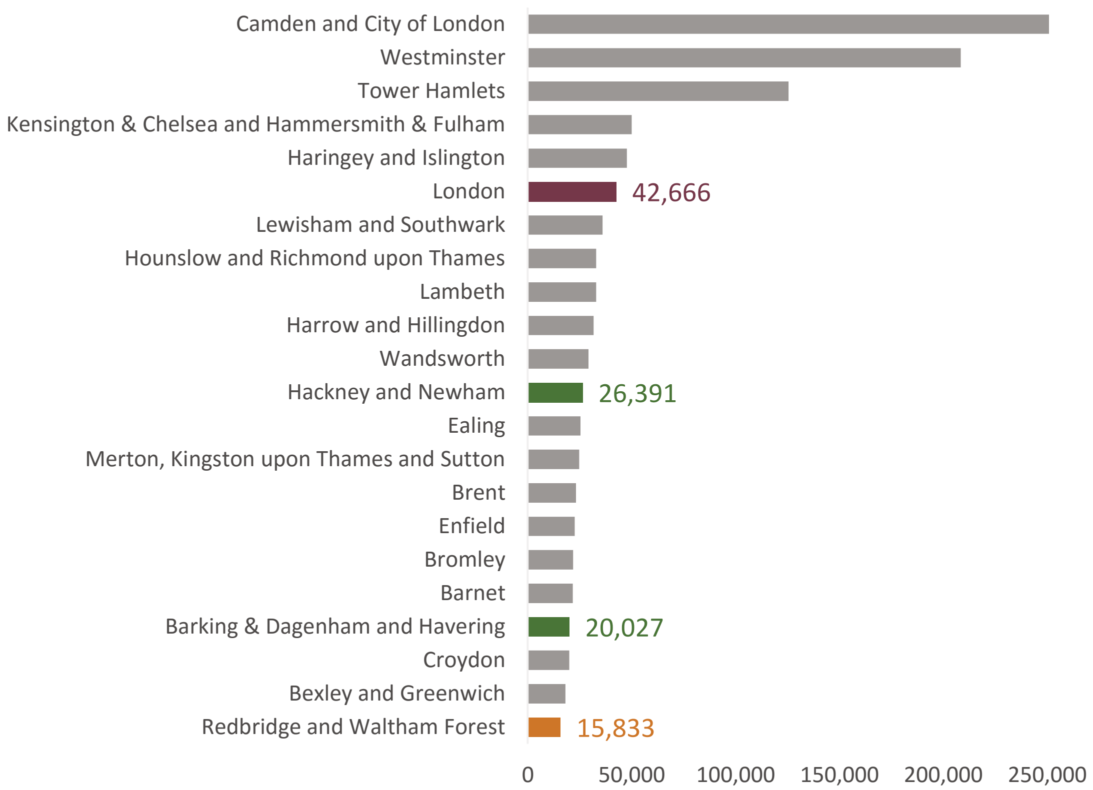
10.5 Looking at earnings year by year indicates wages grew at the fastest rate between 2005 and 2009 in Redbridge before a small decline around the time of the recession. London and England did not experience a decline in average earnings, suggests Redbridge is more sensitive to macro-economic shocks. Average incomes have only recovered to pre-crash levels in recent years.

10.6 Gross Value Added (GVA) per head provides an indication of productivity levels in an area. GVA is available at a sub-regional level as a total average between Redbridge and Waltham Forest.

10.7 At the headline level, average GVA per head for Redbridge and Waltham Forest (£15,833) is the lowest amongst all London Borough comparator areas, and considerably lower (-£26,000) than the London average.

Neighbouring boroughs such as Barking & Dagenham and Havering also has a comparatively low GVA per head (£20,000) but remains an additional £4,000 per head higher than Redbridge. In contrast, Newham and Hackney (neighbouring Redbridge to the West) has a significantly higher GVA per head (£26,500), over £10,000 per head higher than Redbridge. This demonstrates the weakness of productivity of jobs in Redbridge as opposed to an issue with the North East London region as a whole.

Figure 10.2 London Borough GVA per head



Source: London Datastore, Regional Gross Value Added, 2015

11. Baseline Note H: What are the factors constraining employment in Redbridge?

Summary of Key Factors which will affect the Economic Strategy

- The economically active rate of working age people in Redbridge is lower than both London and UK averages, and unemployment is higher. These trends are particularly pronounced amongst females and ethnic minority groups.
- Key factors constraining employment relate to language barriers, lack of qualifications, lack of employment readiness and in some cases cultural barriers.
- The geographical distribution of issues such as unemployment, deprivation and the dynamics of multi ethnic cultures mean there are opportunities for a degree of area based targeting to address key challenges.
- The positive existing interventions and the ambitions of complementary strategies should be harnessed and integrated into the economic strategy, where possible.

11.1 As part of the baseline analysis of economic conditions and trends across the Borough of Redbridge, it is important to better understand the key factors that are constraining employment. It is the ambition of both the Council, the endorsed Fairness Commission report and Employment, Skills and Enterprise Strategy to maximise employment opportunity across the Borough, particularly the long-term unemployed, young people and ethnic minority groups.

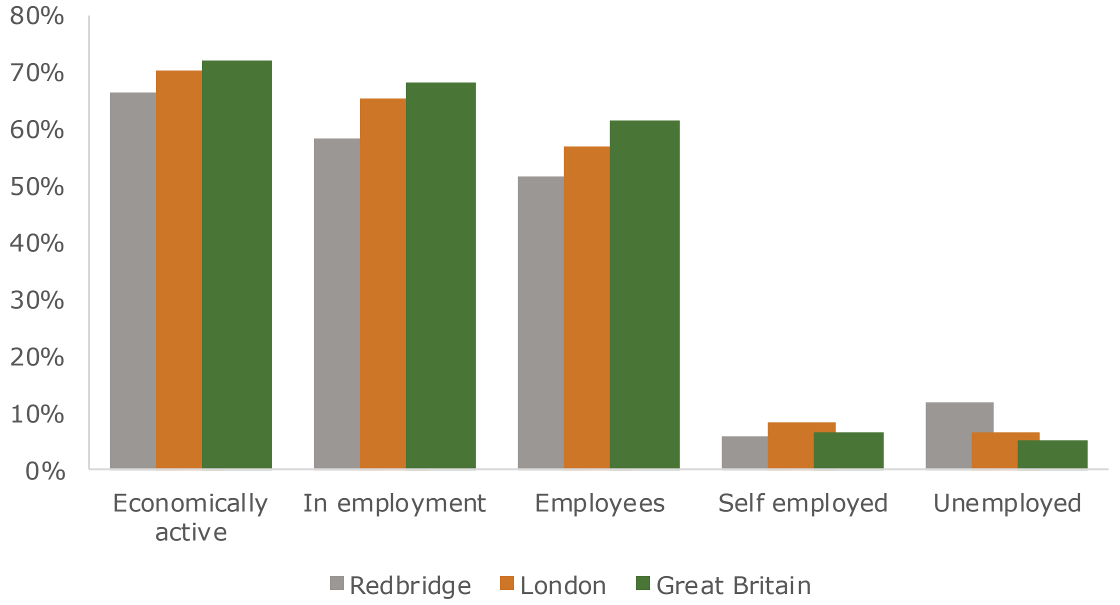
Employment data

11.2 Data assessing economic activity provides an insight into the level of employment within Redbridge, versus Greater London and national levels[19]. The proportion of economically active people in the Borough (75.3%) is lower than the averages for both London and Great Britain (77.3% and 77.7% respectively).

11.3 Looking at the split between males and females, which are economically active; there are discrepancies. The Borough recorded 66.4% of females to be economically-active, as opposed to a male proportion of 81%. This is a significant difference when compared to the rest of London and the UK, where the proportion of economically active females is over 70%. The performance of males by contrast, is more aligned to levels of employment seen in London and the UK, as seen in Figure 11.2.

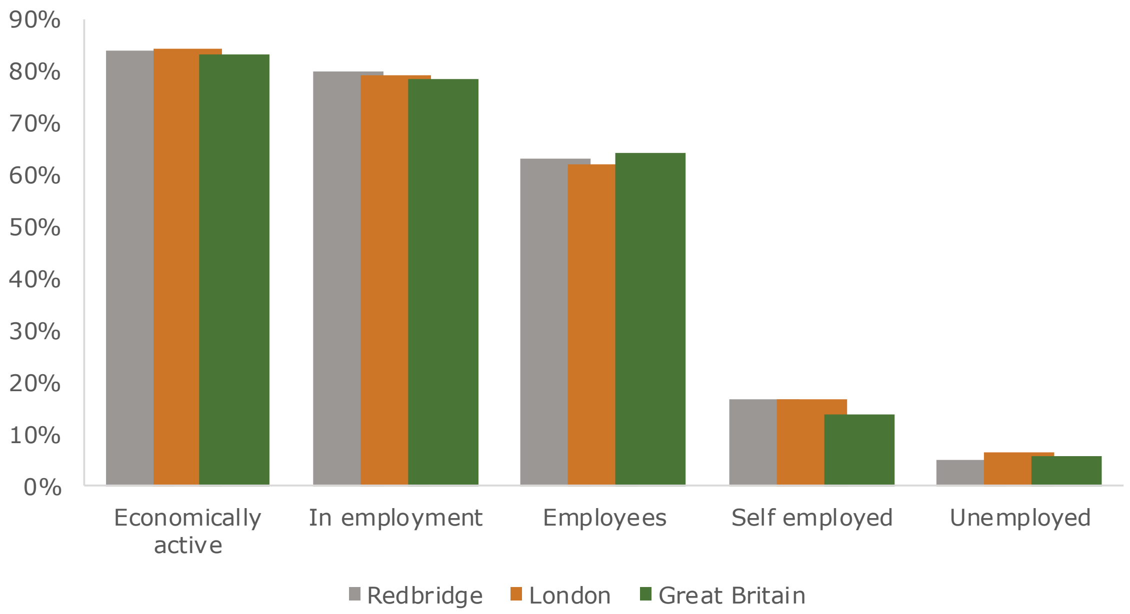
[19] Source: ONS annual population survey, 2016

Figure 11.1 Female employment and unemployment (Oct 2014-Sep 2015)



Source: ONS annual population survey, 2016

Figure 11.2 Male employment and unemployment (Oct 2014-Sep 2015)



Source: ONS annual population survey, 2016

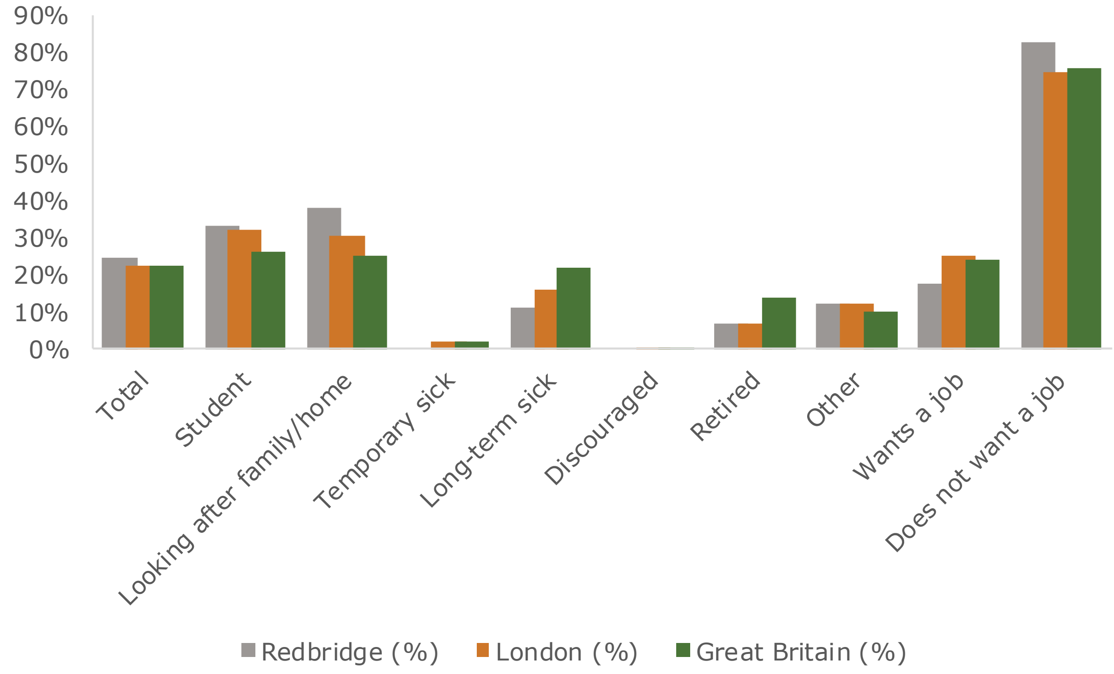
11.4 It is possible to look at other statistics which outline the balance of employment between males and females. Of those at employment age, 58.3% of females are in employment in the Borough, compared to London and Great Britain averages of 65.5% and 68.4% respectively. Similarly the proportion of self-employed females is lower in Redbridge (6%) than the averages for London

(8.2%) and Great Britain (6.5%), suggesting more exploration of the data and causes may be required.

11.5 The picture for the male population is more consistent with national trends however; 80% are in employment (of working age), compared to London (79.2%) and Great Britain (78.4%). Similarly, for the proportion of males who are self-employed, with the 16.8% recorded in Redbridge being considerably higher than the British average (13.8%).

11.6 Looking at economic inactivity, the Borough has a higher proportion of economic inactivity (24.7%) than both London (22.7%) and Great Britain (23.7%). The breakdown of this is categorised in Figure 11.3 below.

Figure 11.3 Economic inactivity (Oct 2014-Sep 2015)



Source: ONS annual population survey, 2016

Note Total figure is a percentage of all working age people. Other categories represent a proportion of the total.

11.7 It is possible to look at specific aspects of economic inactivity. The Borough presents higher levels of people looking after family/home (38%) versus London (30.4%) and Great Britain (25.3%). There is also a higher proportion of people who are not looking for a job (82%), within this population.

11.8 Reviewing Job Seekers Claimant numbers, a mixed picture is presented. At an aggregate level, the Borough performs well (1.4%) versus London (1.7%) and Great Britain (1.5%). Within different age brackets, 18-24 provides the greatest level of claimants at 1.8%, as a proportion of the population within that age range. This is at parity with the Great Britain average and slightly less than the equivalent figure attributed to London (1.9%). In older age brackets, the Borough performs strongly in the context of London averages, whilst performing better than the Great Britain claimant figure for 25-49 year olds and slightly worse in the 50-64 category.

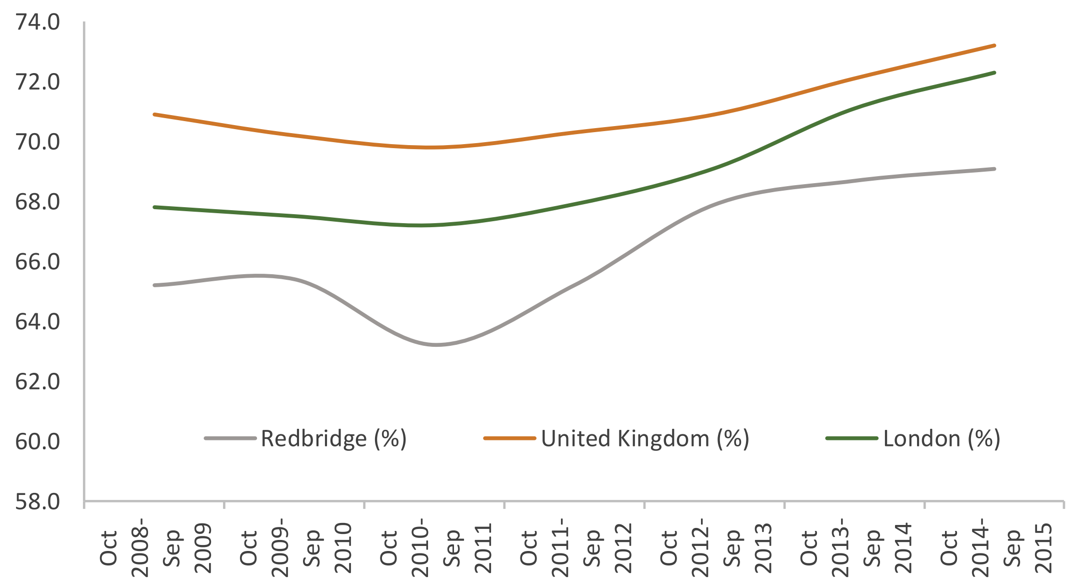
11.9 Figure 6.1 in the informal economy chapter shows there are geographical concentrations of unemployment around Ilford and Seven Kings, peaking at 4.0% of all economically active people claiming JSA.

Other employment data

11.1 Figure 11.4 illustrates employment rates at the ages of 16-64 over the period 2009-2015. The time series data suggests that Redbridge has employment rates in this age category that are lower than both the London and UK averages. Indeed, the most recent records (Oct 2014-Sep 2015) indicate that the borough's employment rate is 69.1%, compared to 72.3% in London and 73.2% in the UK.

11.2 The chart also reflects that Redbridge was hit disproportionately hard by the downturn in 2010, with employment falling significantly more than in other areas.

Figure 11.4 Employment by age (16-64)

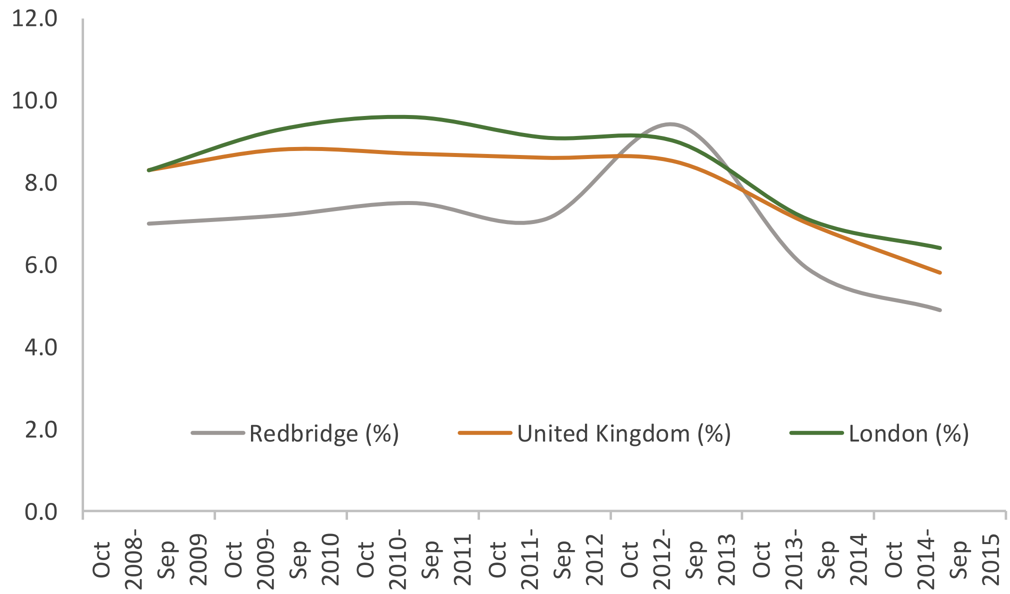


Source: ONS annual population survey, 2016

11.3 Figure 11.5 provides an overview of male unemployment in Redbridge from 2009-2015. This indicates that historically male unemployment in the borough has been lower than the London and national averages, with the exception of a period during 2011-2013, when a spike pushed unemployment above 9%. More recent data suggests a strong recovery, with rates well below the national and UK averages and nearly half that of the 2011-2013 peak, at 4.9%.

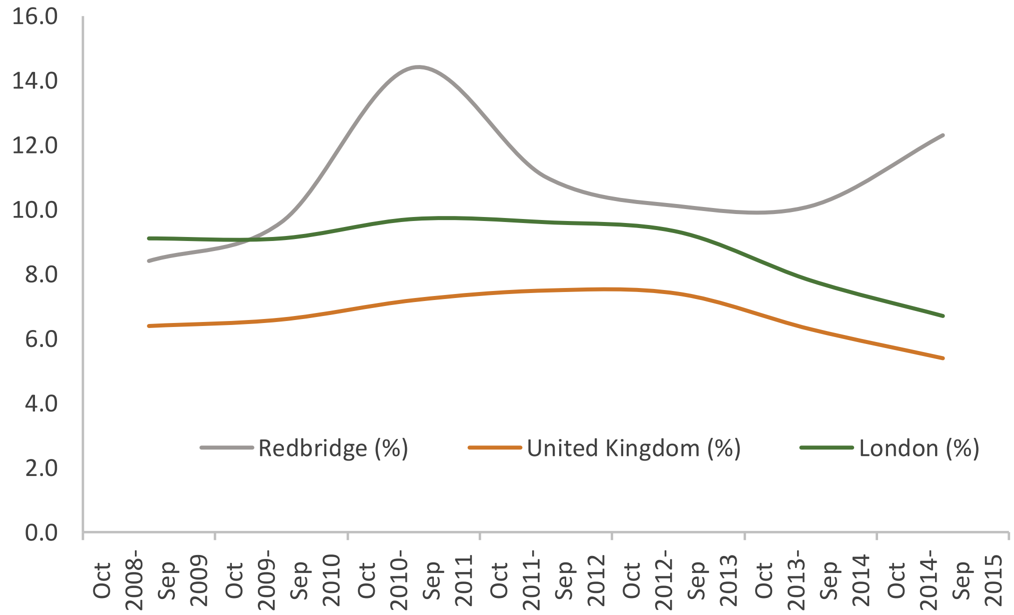
11.4 By contrast, as illustrated in Figure 11.6, since 2009/10, the borough has shown a consistently higher level of female unemployment than both London and the UK. This gap appears to be widening with the latest statistics evidencing a rate of 12.3%, compared to 5.4% across the UK and 6.7% in London. This is nearly 3 times higher than the comparative male unemployment rate.

Figure 11.5 Male unemployment (age 16-64)



Source: ONS annual population survey, 2016

Figure 11.6 Female unemployment (age 16-64)



Source: ONS annual population survey, 2016

Skills and qualifications

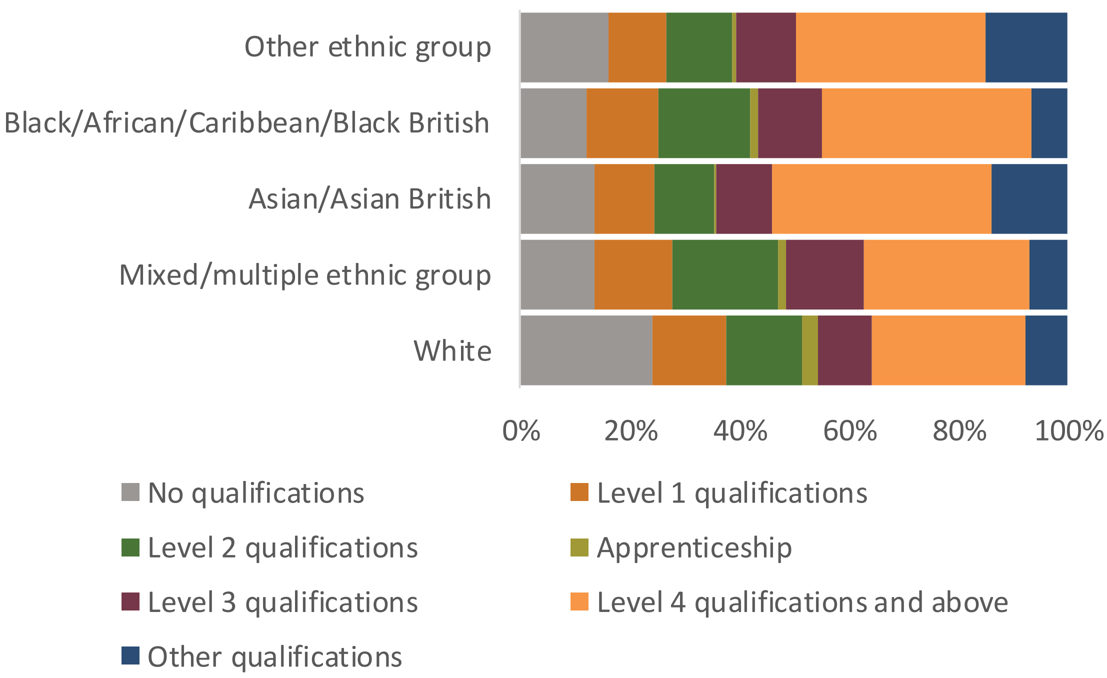
11.5 It is possible to use data to analyse the level of skills and qualifications across the Borough, to assess whether this is a constraint to local employment. The majority of this data can be found within the University/Higher Education baseline chapter and is cross referenced here.

11.6 Redbridge performs comparatively well relative to the East of London area and London as a whole on its qualifications profile, with 45% of Redbridge's working age population are qualified to degree level or above (see Figure 8.2). However 9% of the population have no qualifications at all.

11.7 Geographically, there is considerable variation across the borough on the level of qualifications attained. Those in the North East of Redbridge are generally less highly qualified, compared to the West of the borough, which has the highest proportion of people qualified to NVQ level 4 and above. There is also a high proportion of people in the North East of the borough having no qualifications compared to those in the West. This is mapped visually in Figure 8.4 and Figure 8.5.

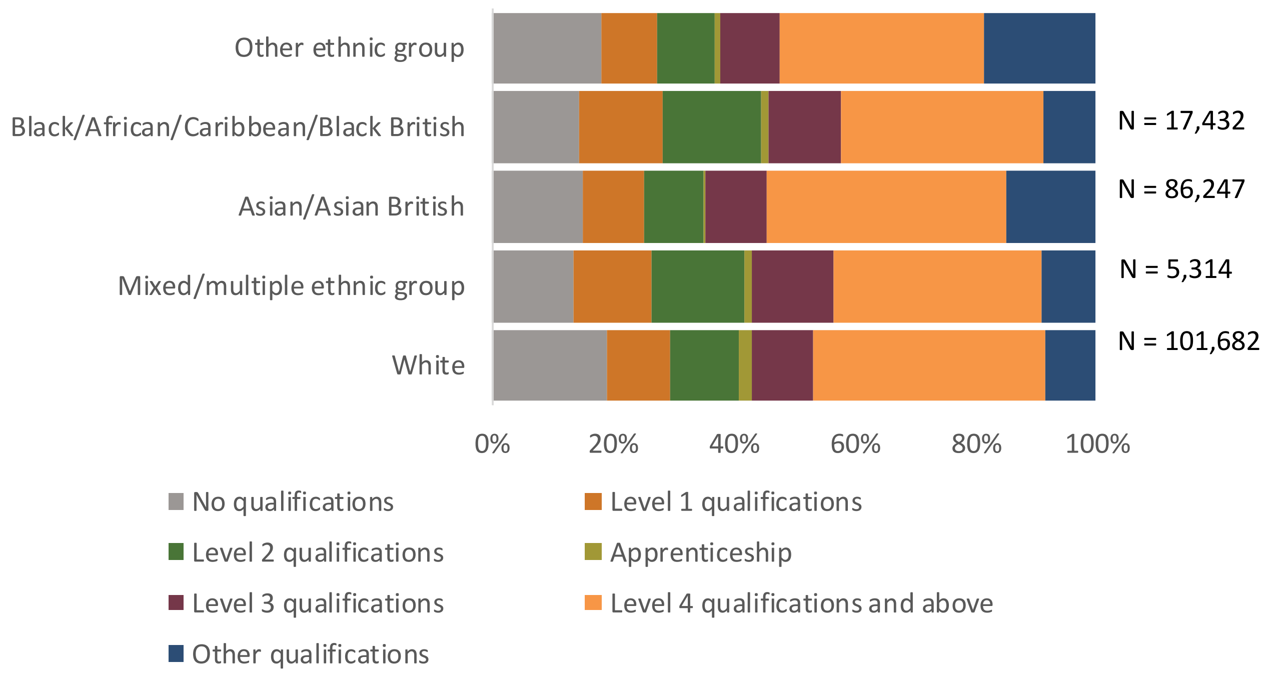
11.8 Considering ethnicity, Figure 11.7 illustrates levels of achievement across different groups in Redbridge. Figure 11.8 demonstrates equivalent data across London. This outlines the variance in ethnic group performance across recognised census groups. The data suggests that a lack of qualifications is a particular concern for those of a white ethnicity in Redbridge proportional to its population size, as well as attainment at NVQ level 4 and above. Other ethnic groupings show a closer correlation to London averages.

Figure 11.7 Redbridge qualifications by ethnic group



Source: ONS Census, 2011

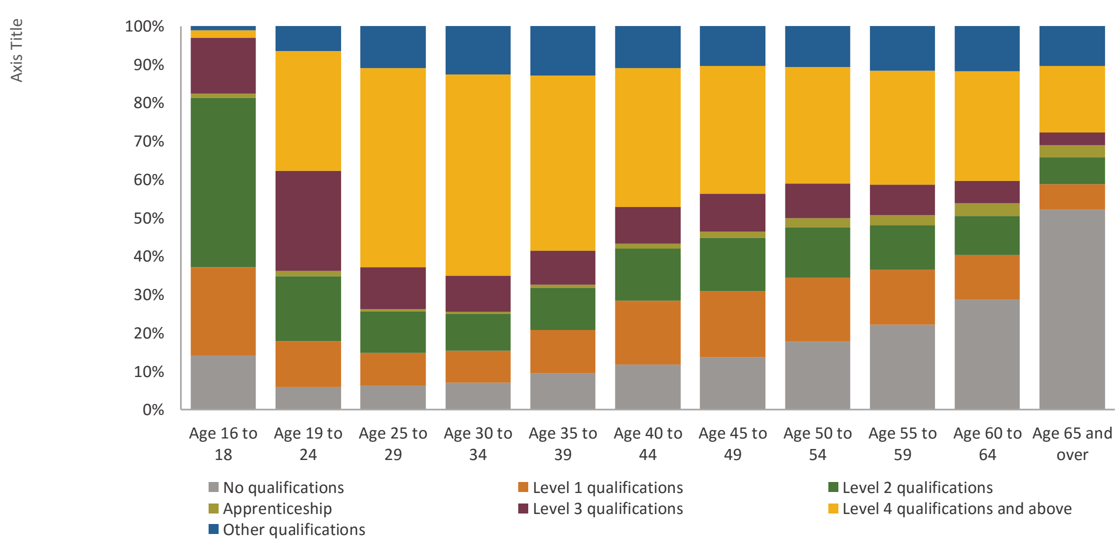
Figure 11.8 London qualifications by ethnic group



Source: ONS Census, 2011

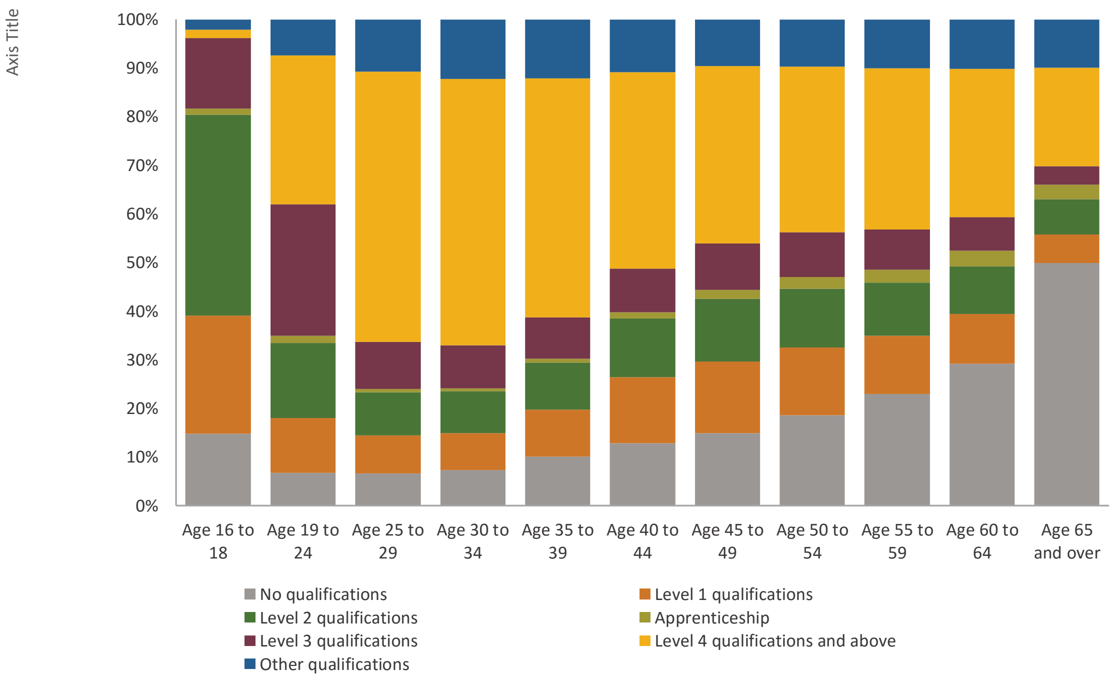
11.9 Figure 11.9 shows the level of qualifications by age category in Redbridge. This shows a close correlation to the equivalent London data, presented in Figure 11.10. Of particular note are the low levels of apprenticeship take-up within younger age groups, which is identified as an area requiring attention by the Local Authority and associated business and skills partnerships.

Figure 11.9 Redbridge – qualifications by age



Source: ONS annual population survey, 2016

Figure 11.10 London – qualifications by age



Source: ONS annual population survey, 2016

Language, deprivation and diversity

11.10 It is possible to overlay our understanding of employment and skills, with other characteristics of Redbridge. This includes the use of non-English languages, evidence of deprivation and prevalence of ethnic diversity.

11.11 The informal economy baseline chapter explores elements that are relevant here. As noted in Figure 6.4 the borough has a significant proportion of people who do not use English as a first language. Geographically, these are dispersed, with south and eastern sections of the borough having the highest levels of non-English speakers. There is also some overlap in those locations where educational attainment is problematic.

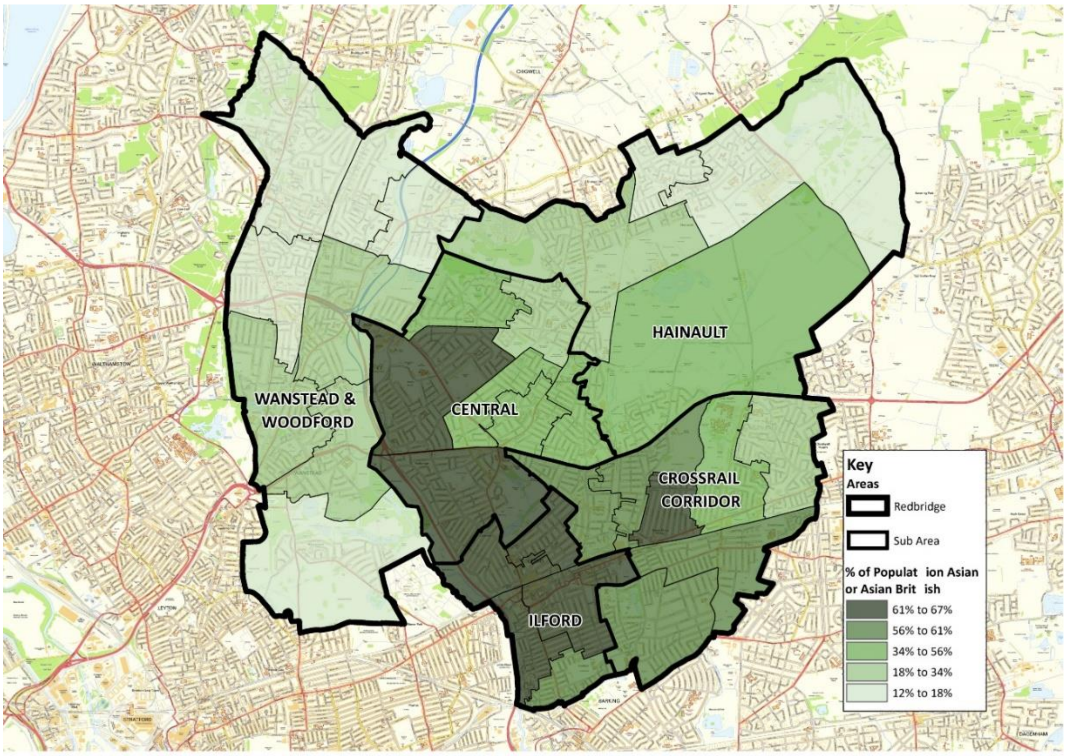
11.12 In addition, the informal economy baseline also examines the presence of deprivation across Redbridge, in Figure 6.3. It shows that there are higher levels of deprivation towards the south of the borough, especially in the south of the Ilford sub-area, of which two LSOAs are among the 10% most deprived in the UK[20]. Again, this shows some overlap with those locations where educational attainment is lower and the predominance of non-English language is more common.

11.13 In relation to ethnic diversity and its geographical distribution; this is represented in Figure 11.11, Figure 11.12 and Figure 11.13 below. The borough is considerably more ethnically diverse than London as a whole, with over 60% representation from ethnic backgrounds, compared to an average of just under 42% in London[21]. The maps emphasise the presence of ethnic communities towards the southern and eastern portions of the borough, whilst those of a white background are largely in western and far eastern sections.

[20] Source: Index of Multiple Deprivation, DCLG, 2015

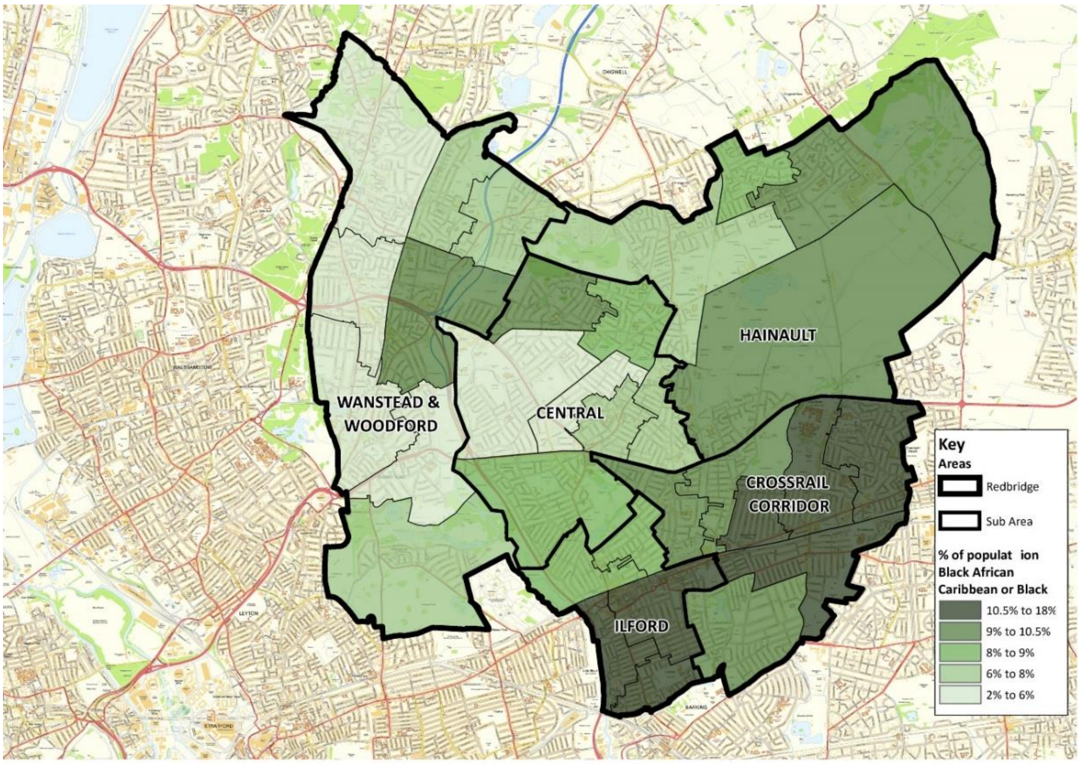
[21] Redbridge Employment, Skills and Enterprise Plan, 2015

Figure 11.11 Ethnic diversity map – Asian



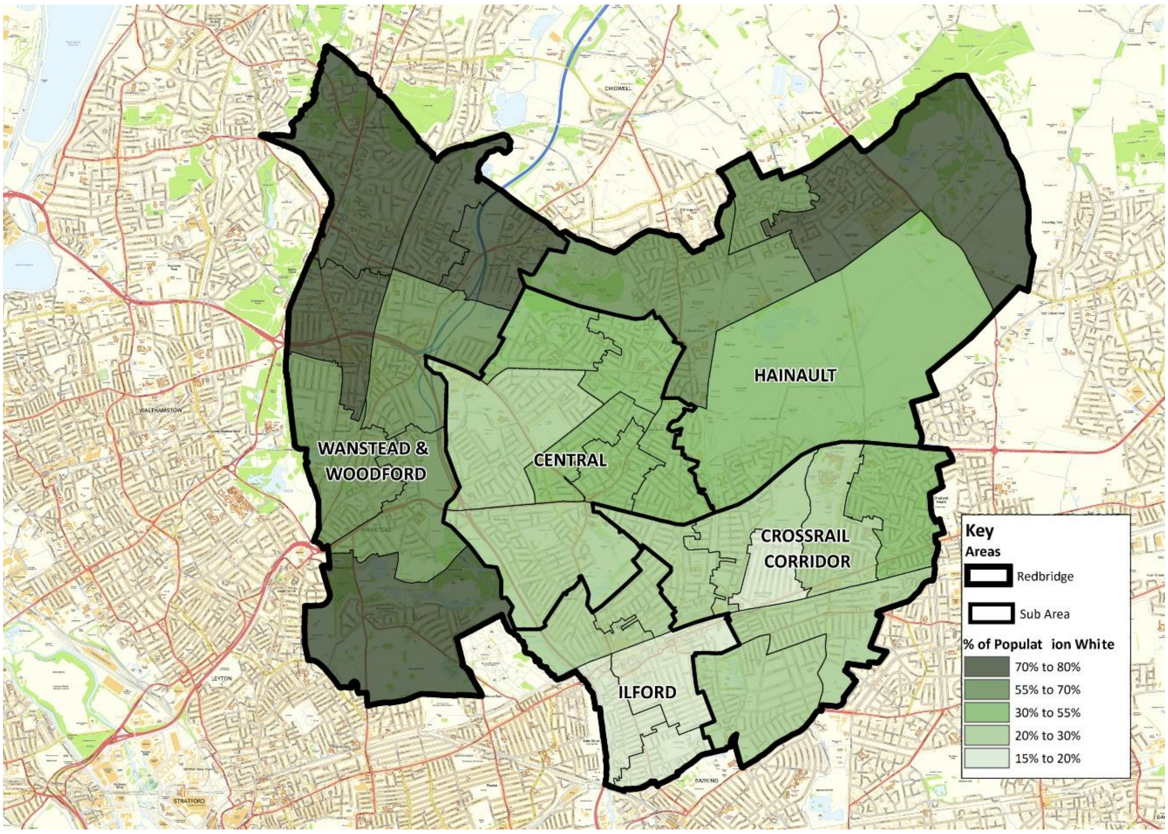
Source: ONS Census, 2011

Figure 11.12 Ethnic diversity map – Black



Source: ONS Census, 2011

Figure 11.13 Ethnic diversity map – White



Source: ONS Census, 2011

The costs of childcare provision

11.14 The decision to pursue employment is often influenced by family and lifestyle commitments. One of the most prominent is that of childcare and being able to make time and cost allowances for the care of dependents during working hours.

11.15 A recent report published by Family and Childcare Trust summarises the increasing burden of cost attributed to childcare[22]. This reveals that the cost of childcare has continued to rise at levels well above inflation and average salaries, with a part-time nursery place for a child under two increasing in price by 32.8% over the last parliament. The report goes onto assign a number of actions, including acknowledging the additional expense of offering childcare provision in London.

11.16 Research conducted by the charity 4Children, in partnership with Opinium, suggests that the implications of childcare costs on the parental decision to work are significant. The survey concluded that of those parents paying for childcare, nearly a fifth would consider reducing working hours or giving up altogether, as a result of the financial burden. In addition, over a quarter of sampled respondents would consider cutting back to pay for childcare costs, with a strong emphasis on additional Government support in the form of subsidies.

11.17 Whilst the Government has sought to introduce reform and has amended its childcare tax credit policy, seeking to offer more support to working families, this has been delayed and the issue continues to be tangible at a local level.

[22] Family and Childcare Trust: Childcare Costs Survey, 2015

11.18 Given this research, there may be a need to further explore the extent to which this is impacting the ability and willingness for families to work in Redbridge. Further evidence should be sought from the Council in particular, through its statutory support given to families seeking childcare and the distribution of assistance, to better understand the scale of the issue locally.

Redbridge Employment, Skills and Enterprise Plan

11.19 The Redbridge Employment, Skills and Enterprise Strategy (2015) provides a significant evidence base, informing its recommendations to enhance employment opportunity across the borough. The data and findings can be viewed as complimentary to this baselining exercise, feeding into the development of an agreed economic strategy for Redbridge.

11.20 Whilst the document acknowledges the breadth of existing interventions which are already delivering improvements and helping people into employment, it identifies that more action is still required.

11.21 The strategy calls for focus on a number of areas in order to influence positive change. This includes building on the positive work of programmes such as Work Redbridge and harnessing the power of multi-agency partnerships linked to employer engagement, skills development and business support. The needs of the borough's most disadvantaged, including those of an ethnic background and NEETs, require special attention. Organisations and bodies involved in both of these initiatives should be engaged going forward, such that they can inform an agreed economic strategy for Redbridge.

12. Baseline Note I: How does the fairness commission influence the economic strategy?

Summary of Key Factors which will affect the Economic Strategy

- Recommendations include the need for: a stronger economic vision and place brand for the borough, attraction of more higher education around science and engineering, support for small businesses and social enterprise, strengthening the apprenticeship offer, and encouraging a stronger bidding culture within the locality.
- The report also stresses that the area should not rely on trickle down theory, meaning a strong focus on supporting people to access economic opportunities will be important.

12.1 The Redbridge Fairness Commission was setup in January 2015 to investigate how the council should best use its resources in a time of budget cuts, to tackle poverty and inequality.

12.2 The report makes 19 recommendations based on a consideration of a wide range of evidence from local and national experts, council held data, open public meetings, community group meetings and a peer research programme.

12.3 There are a range of areas the commission focuses on, including:

1) **Health & wellbeing** – looking at increasing wellbeing in council activities, tackling social isolation and long term health conditions, and increasing digital accessibility for residents.

2) **Home** – focusing on improving the quality and availability of housing advice, addressing issues of the growing housing crisis and supporting services better able to take action on housing need.

3) **Economy** – seeking to secure maximum benefit through council budget and influence, establishing collective Debt Action Group, producing a Financial resilience strategy, agreeing a long-term economic vision and developing a 'New Business Starter Pack' for new start-ups. *Note: These are most relevant and looked at in further detail.*

4) **Community** – concerned with investing in third, voluntary and community sector, making better use of funding opportunities (e.g. European Social Fund), developing a stronger sense of identity in Redbridge and diversifying financial and organisation models of local youth and community centres.

12.4 The most relevant to the economic strategy work are the following:

1) Agree long term economic vision for the Borough through the development of an Economic Strategy. This strategy should:

- Include a vision for businesses and economic activities to attract to the area.
- Consider spatial requirements of local businesses in balance with housing need.
- Look at attracting universities with specialisms in science and engineering to establish a local campus.
- Focus on fostering and supporting growth of small businesses and those with a social focus.

- Aim to strengthen the local apprenticeship offer by developing Work Redbridge into a local apprenticeship hub.

2) **The council should develop a 'new business start pack' for businesses opening in or moving to the Borough, setting out key local contracts and support services.** This could have the following implications:

   - Enable businesses to have a greater benefit to the local economy through greater use of local supply chains
   - Help new businesses to survive and grow
   - Set a framework to guide business and employment in favour of wider objectives

3) **The value of the third, voluntary and community sector should be recognised and supported. The council should:**

   - Invest in community development programmes, particular in areas of high deprivation. Involvement should be representative across all age groups.
   - Invest in community-led educational projects which address domestic violence.
   - Establish a 'Redbridge Giving' body, supporting crowdsourcing for local projects and charitable giving for local causes.
   - Collaborate with partners to improve the range and quality of volunteering opportunities for young people.

4) **The council should maximise funding opportunities presented by the European Social Fund and embed a strong bidding culture within the council.** This could have the following implications:

   - Gain momentum in attracting funding and investment, which could have further knock on effects (e.g. increased investor confidence).
   - Enable the council to succeed in future funding opportunities, not only at the European level but London wide.

5) **Developing a stronger place brand to strengthen the sense of identity, belonging and togetherness for Redbridge, utilising successful examples elsewhere.** This could have the following implications:

   - Helping the borough specialise in particular employment sectors.
   - Encourage greater cross-collaboration between existing employers in the borough.
   - Assist in building relationships with other boroughs and places through utilising examples.

12.5 Furthermore, in light of investments such as Crossrail or the Ilford Housing Zone, the commission highlights the need to not rely on 'trickle down' processes to bring local benefits and tackle poverty and inequality.

13. Baseline Note J: What is the role of housing in the boroughs economic growth?

Summary of Key Factors which will affect the Economic Strategy

- Housing can be an important driver for economic growth in Redbridge.
- If the housing targets are met, this work would support over 1,800 jobs annually for the next decade, many of which would be on site or based elsewhere in the borough. Given significantly lower levels of house building in recent years, this would be a significant increase.
- Furthermore the population growth driven by the housing increase would support new jobs in the public sector and in retail and leisure. If housing targets were met each year over 2015-25, it is anticipated that the total effect would be to create 1,300 new public sector jobs and 1,400 new retail jobs in the borough.
- If town centres are enhanced, through the Housing Opportunity Zone and other investment, there is further potential for greater retail and leisure spend to be captured and further employment increase beyond the figures above.
- At the same time, the increased housing will lead to a greater working age population in the borough. If housing targets were met each year over 2015-25, it is anticipated that the total effect would be an increase of between 17,000 and 19,000 working age people in the borough.

13.1 There are estimated to be 104,330 homes in Redbridge (in 2013/14), with approximately 2.82 people in each household (Census 2011). To continue to accommodate Redbridge's (and London's) growing population, the latest version of the London Plan (2011) has increased Redbridge's housing target from 760 homes per year to 1,123 homes per year. Local planning policies must be in conformity with London Plan policies. The new target still falls well short of meeting full housing need (estimated at 2,000 per annum), but is based on a pragmatic assessment of the supply of land with realistic prospects of being redeveloped for housing. Recent actual housing completions fall well below this, with only 239 completions in 2013/14 and 271 completions in 2012/13.

13.2 In January 2013, the Council published its Core Strategy Review Preferred Options Report for public consultation. This report was based around the pursuit of sustainable development and its central proposal was to identify five Investment Areas in accessible locations and close to town centres with the capacity to accommodate major growth and change based on a balanced mix of uses. Together, these Investment Areas include the great majority of nearly 200 Development Opportunity Sites which the Council considers are likely to become available for redevelopment during the plan period.

Impact of Redbridge's Housing Targets

13.3 To illustrate the scale of the opportunity, we have looked at potential economic benefits to the Redbridge economy should an additional 1,223 homes be built in the borough in each year of the Redbridge Local Plan. Regeneris' own housing model captures many of the benefits that housing supply generates, including through the construction phase and also benefits which are generated from the new resident population of the area. These benefits have been broken down below.

Regeneris Housing Impact Model

Regeneris Consulting has developed a framework for assessing the socio-economic impacts of new housing developments. The scale of these impacts is determined by:

- The number and types of housing units, which influence the likely incomes and purchasing power of residents, the characteristics of the labour force and revenue generation
- The location of the development in relation to local facilities and services
- The extent to which additional amenities are provided as part of the development.

The assessment looks at each source of impact in turn, including the effects of construction spending (significant temporary benefits), household spending and labour supply impacts. For some of the wider impacts, it is only possible to give a qualitative assessment of some of the potential benefits of a scheme.

The impacts in this report are based on the completed full development of housing in the borough and are gross impacts. For the purposes of the assessment it assumes that the resident population is net additional to the area and not people relocating from inside the borough.

Construction Impact

13.4 In total, the proposed 1,123 homes to be built in each year of the Local Plan will cost around £103.4 million per year to construct. This excludes the price of the Site and any Section 106 contributions but includes preliminaries and external infrastructure works[23]. This would equal £1.03 billion over the ten years of the Local Plan.

13.5 This expenditure on the construction phase would support an average of 1,847 Full Time Equivalent (FTE) jobs per annum, a substantial number of which would be on Site. However, given that different elements of this housing would have different completion timeframes, the true number of FTEs supported will vary from year to year.

13.6 These are gross, direct impacts as this study does not calculate additional supply chain and uplift effects. These calculations do not include the construction of any supporting infrastructure required as part of a development, including additional schools, leisure and health facilities and employment developments.

13.7 Consequently, the Proposed Development has the potential to draw upon local labour and aid in reducing unemployment in the local construction sector. To put this potential employment impact into context, there were 40 people in Redbridge claiming Jobseekers Allowance and searching for jobs in the construction and building trades in January 2016. This will help support a growing construction sector in Redbridge, which has seen employment growth of 8% since 2009 and business growth of 33% since 2010.

Retail and Town Centre Impacts

13.8 The addition of 1,123 new households per year of the Local Plan will generate additional retail and other spend that will support the wider economy in Redbridge, including employment in retailers

[23] The construction cost for housing is calculated using comparable building costs (from SPONS (2011)) for various sized dwellings and applying a percentage for infrastructure. Construction costs for the schools uses calculations from Development Economics (Wellesbourne West Sustainable Urban Extension: Economic Impact Assessment of the Outline Proposals (2014)). Construction costs for the other elements are calculated using comparable building costs (from SPONS (2011)) applied to floorspace sizes plus infrastructure costs.

and other service providers. The level of the employment impacts will depend on the types of goods and services the new residents purchase and where they choose to spend their income.

13.9 It is estimated that the total expenditure generated by the 1,123 new households in each year of the Local Plan would be an additional £14.8 million per year in Redbridge. This would accumulate over the course of the Local Plan, and the total 11,230 new households built in the next decade would have a total expenditure of £148 million assuming that 1,123 homes are completed per annum.

Jobs Supported Through Expenditure

13.10 This increased expenditure from Redbridge's new residents would help support a number of jobs in the local area. Taking account of indirect taxes and multiplier effects, the aforementioned expenditure would directly support approximately 135 jobs and create a further 30 jobs through the induced impact of this spending. As a result this spend could support around 165 jobs in the borough and help to support sectors across the borough. Over the ten years of the Local Plan, this could lead to 1,650 new jobs being supported in Redbridge (of which around 1,350 in retail and the remainder being jobs supported through the induced spend of these workers in the local area).

Table 13.1 Local Expenditure Effects

	Per annum	Over 10yr Plan
Total Expenditure after indirect tax (£m)	£14.8m	£148m
Jobs supported locally (FTEs)	165	1,650

Source: Calculations by Regeneris Consulting *Note: Jobs are rounded to the nearest 5.*

Service Employment

13.11 The new residents of the Proposed Development will generate demand for a range of public, and to a limited degree private, services such as healthcare (dentists, GPs, hospitals) and education (nurseries, schools). This demand will support jobs in these service sectors. If we apply current national average ratios of population to jobs in these sectors, the demand for these services from the additional 1,123 homes could imply in the order of 130 jobs in Redbridge. However, the actual employment impacts will depend on the demand for services from new residents and the nature of provision in Redbridge. Over the ten year plan this increase in demand for public services would equate to the need for an additional 1,300 public service jobs.

Labour Force

13.12 The proposed housing targets in the Redbridge Local Plan expect to deliver up to 1,123 new residential units per annum. These units will comprise a mix of smaller and larger family homes that have the potential to increase the area's labour supply in higher skilled and higher paid professions, and also in lower skilled occupational categories. In total it is predicted that the new housing could house between 1,725 and 1,860 residents of working age per annum. Of these working aged people, it is estimated that around 1,380 to 1,580 of these residents per annum would be economically active. In addition, based on current levels of people employed in managerial and professional occupations in Redbridge, it is estimated that the new housing in the borough could attract 440 to 505 people per annum employed in managerial and professional occupations.

13.13 Over the ten year plan, this would lead to an additional 17,250 to 18,600 working aged residents living in Redbridge, of which between 13,800 and 15,800 would be economically active. This would provide a considerable boost to Redbridge's current workforce of 76,300 people, a potential increase of 18% to 21%.

13.14 The potential breakdown of residents by occupational classification is summarised in the table below. The proposed new housing therefore has the potential to enhance the local area's labour supply across a range of occupational groups.

Table 13.2 Key Labour Supply Impacts of Redbridge's Housing Targets

	Per Annum		Over 10yr Plan	
	Lower Estimate	Higher Estimate	Lower Estimate	Higher Estimate
Working Age Residents	1,725	1,860	17,250	18,600
Economically Active Working Age Residents	1,380	1,580	13,800	15,800
Residents Employed in Managerial and Professional Occupations	440	505	4,400	5,050

Source: Calculations by Regeneris Consulting

Impact of Ilford Housing Zone

13.15 Ilford Housing Zone, set out in the Mayor of London's Housing Zones Plan (2015), has ambitious plans to build 2,189 new homes by 2025. A quarter of these homes will be affordable. It could also create around 4,370 new jobs and 150 apprenticeships in the construction sector. The new housing zone will:

- Encourage new housing development
- Regenerate the Ilford Hill and High Road Character Areas
- Provide over 500 new affordable homes for local people
- Help release council-owned assets with room for over 500 new homes
- Improve public space, calm traffic and address local congestion
- Prepare for the arrival of Crossrail by making Ilford Station more accessible from both north and south of the railway

13.16 Redbridge Council will work with private sector partners, including Durkan Estates, Sainsbury's and Development Securities on housing development in the zone. Full planning consent is in place for three of the key sites in the zone already with further sites in the pipeline.

13.17 This will have a big impact on Ilford town centre, with the housing zone being valued at £537 million of investment and development. The GLA anticipates investing £54.8 million into the scheme, with £17.6 million used to increase the number of primary and secondary school spaces.

14. Baseline Note K: How are industrial areas in Redbridge performing?

Summary of Key Factors which will affect the Economic Strategy

- There are two areas of strategic industrial land in the borough and six other key industrial sites identified in the local development framework. Overall vacancies are low but the stock is often of a low quality and constraining the development of higher value activity.
- The Employment land review recommends approximately 13 hectares of industrial land is suitable for release for intensification / diversification, while 43 hectares should be protected. The 13 hectares suitable for release are identified based on their being of generally lower quality and no longer fit for purpose for other uses.
- The two BID areas have leveraged significant investment and made notable improvements to their respective areas. These bodies are likely to be key partners for the economic strategy.
- Very low provision of managed workspace in the borough, constraining growth in business start-ups and higher value creative sectors.

Employment Land

14.1 There is a total of 59.38 Ha of employment land, of which 43.11 (72%) hectares should be protected and 13.05 (22%) hectares has potential for intensification/diversification of uses. This suggests that the large majority of industrial land is required and sufficiently meeting the needs of businesses.

14.2 Redbridge has a total of:

- 15.6 Ha office floorspace which has reduced in number by 2.5ha (-14%) in recent years, representing a greater proportional loss compared to Outer London (-12%).
- 30.1 Ha industrial floorspace which has fallen by 6.6ha (-18%) in recent years, a higher rate than outer London (-8%) and just below London as a whole (-19%).

Table 14.1 Summary of office and industrial land, 2012

	Total Office Floorspace (ha)	Absolute Change (ha) (07-12)	% Change (07-12)	Total Industrial Floorspace (ha)	Absolute Change (ha) (07-12)	% Change (07-12)
Redbridge	15.6	-2.5	-14%	30.1	-6.6	-18%
Outer London	569.3	-12.1	-2%	1,446.3	-133.2	-8%
London	2,665.5	286.7	+12%	2,111.5	-498.4	-19%

14.3 Looking at the longer term picture, Redbridge began losing office space from 2002 onwards to around 2009, whilst over the same period London experienced incremental growth. Supply has marginally increased in recent years.

Figure 14.1 Indexed Office Business Floorspace (2000=100)

Source: ELR, Cundall, 2016

14.4 The long term trend of industiral floorspace in Redbridge highlights an overall decline of industrial floorspace in Redbridge and London as a whole. Outer London however has not experienced the same level of decline as Redbridge.

Figure 14.2 Indexed Industrial Floorspace (2000=100)

Source: ELR, Cundall, 2016

Industrial Sites

14.5 There are eight industrial sites in Redbridge listed in the Local Development framework as set out in the table below.

14.6 There are a wide range of sizes of site (1.1ha – 21ha), unit (1 - 87) and average rental (£28p/sqm - £85p/sqm). In total, these sites accounts for 44.5ha containing 192 units.

Table 14.2 Summary of industrial sites in Redbridge, 2012

Site	Size (hectare)	Units	Av. Size per unit (p/sqm)	Av. Rental (p/sqm p.a)
Hainault Cluster				
Hainault Business Park	21	12	17,500	£60
Hainault Works	1.8	25	700	£40
Forest Road	3	30	1,000	£80
New North Road	2.3	1	22,500	£28
The Woodford Cluster				
Southend Road	11	87	1,250	£85
Raven road	2.8	23	1,200	£50
South Redbridge				
Newton Industrial Estate	1.1	11	1,000	£51
Chadwell Heath	1.5	3	5,000	£64
Average	*5.5*	*24*	*6,250*	*£64*
Total	***44.5***	***192***	**-**	**-**

Source: Industrial Sites Profile, 2012

14.7 As expected, each site has contrasting characteristics and varying levels of performance based on different indicators. In order to summarise overall performance, eight key themes are identified in the Industrial Sites Profile (2012):

- Mix of industrial uses: the majority of sites are deemed to have a good balance of industrial uses with appropriate stock, from light industrial, traditional manufacturing and car related businesses. In particular distribution services are determined as highly appropriate given the location of Redbridge (linking between outer and inner London).
- Rental values: values vary from site to site depending on the quality, types of industrial use, access and facilities. The Borough wide average is £69/sqm p.a.
- Vacancy: perceptions from the sites survey carried out as part of the study suggest vacancy rates are reasonably low, with the exception of New North Road where the whole site is vacant (due to redevelopment).
- Parking: generally parking is considered as sufficient.
- Access: on the whole access is deemed as good, with particularly good access from links to the North Circular in Raven road. Although in some cases sites are isolated to a greater extent (such as the Hainault works where access is limited).
- Facilities: the large proportion of sites do not have sufficient access to facilities, in most cases only being served by nearby centres.

- Environment: the quality of the environment appears to be average overall, although this isn't particularly detrimental given the lack of heavy/noisy industry. Most industrial sites have a proportion of office space which improves the overall environment.
- Business: overall it appears industrial areas are able to attract large businesses, with evidence of large companies present on site.

Industrial Area Performance

14.8 Data from EGI provides a comprehensive database of property deals over time for a selection of individual properties. As such the data is not comprehensive and should be used to provide an indication of trends as opposed to definitive conclusions.

14.9 The number of property transactions each year suggests performance declined around the time of the national economic downturn with a sharp reduction in total property transactions in 2010. Performance since recovered and returned to pre-crash levels in 2014, recording the highest number of property transactions over the last 15 year period.

Figure 14.3 Summary of industrial property transactions, 2000-2015

Source: EGI, 2016

The role of Strategic Industrial Locations

14.10 SILs are London's main source of industrial land, comprising around 50% of London's total supply. They encompass two types to meet requirements of different industrial occupiers:

- Preferred industrial locations (PIL) – suitable for general industrial, light industrial, storage and distribution, waste management, recycling, some transport related functions, utilities, wholesale markets and other industrial related activities
- Industrial business parks (IBP) - suitable for activities that require better surroundings, such as research and development, light industrial and higher value general industrial. This is in addition to some waste management, utility and transport functions, wholesale markets and smalls scale distributions.

14.11 SILs have an important role in accommodating activities which elsewhere might raise tensions with other land uses. This role is most important for accommodating strategically important logistics, waste management and transport functions as well as meeting more local needs including for relatively affordable workspace.

14.12 SILs are important in supporting the logistics system and related infrastructure, both imperative to London's competitiveness.

14.13 Redbridge currently has two SIL locations – Hainault Business Park and Southend Road Business Park – both currently allocated as PILs.

Employment Land Review

14.14 The employment land review (ELR) aims to inform the preparation of the borough's local plan from the perspective of employment land supply and demand. The report profiles existing employment land supply, assesses the quality and viability of sites across the borough and assesses future demand for employment land.

14.15 Recommendations are made for industrial areas listed in Redbridge. Designations include:

- Hainault Business Park, Hainault Works, Forest Road, Woodford Trading estate and Raven Road are identified as sites to protect and intensify.
- Newton industrial estate is identified with particular potential for intensification/diversification of uses in part of site.
- Hainault business park should be adjusted from Preferred Industrial Land to Industrial Business Park to reflect the character and quality and aspiration towards continued investment and improvement. Intensified development should be promoted at these sites.
- Adjust status of Southend Road Business Park to a combination of Preferred Industrial Land and Industrial Business Park to reflect character and quality. Again, this is to reflect the character and quality and aspiration towards continued investment and improvement. Intensified development should be promoted at these sites

Business Improvement Districts (BIDs)

14.16 Redbridge has two business improvement districts in operation, which are defined areas within which businesses pay an additional levy to fund projects geared towards improving the area for business.

14.17 The largest is the Ilford Business Improvement District, achieving BID status in 2009 and capturing just under 400 businesses in the town centre. The BID has secured £2.2 million in investment from 2013-2019, with a range of projects completed already, including:

- Online website YOOHOPP which allows you to search, select and buy products available at retailers and independent shops in the town centre
- State of the art digital radio security scheme
- Dedicated town centre police team
- 14,500 hours of additional cleaning and events

14.18 Hainault Business Improvement District is the second BID in the borough, achieving BID status in 2006 and capturing around 160 businesses in an industrial area.

14.19 During the first five year term ending in March 2011 the BID levered in around £750K delivering a range of improvements, including:

- Security fencing
- New CCTV scheme
- Landscaping
- Business support.

14.20 Since the successful renewal of the BID in 2011 continued improvements have included:

- Automatic number Plate Recognition cameras at both entrances and exits have been delivered.
- Free cycling projects
- Paper and cardboard collections

14.21 Overall performance of the BID areas has been strong, with a high level of buy-in from businesses leveraging a significant amount of investment. Continued renewal and approval from businesses suggests BIDs will continue to operate successfully in Redbridge.

Workspace

14.22 The GLA Incubators, Accelerators and Co-Working (IAC)[24] research maps current provision across London. At a headline level, this research found that within London the majority of incubation centres, innovation centres and enterprise hubs are located in four inner London Boroughs: Westminster (20 IACs), Camden (20 IACs), Islington (21 IACs) and Hackney (23 IACs). By comparison there were no IACs were identified in Redbridge.

14.23 Research has also been conducted into the supply of workspace for artists (Artists Workspace Study, 2014[25]) which identified 6 artist workspaces in Redbridge. This is significantly low compared to inner London Boroughs such as Hackney (1124) and Tower Hamlets (844) and remains moderately low compared to the highest Outer London Boroughs, such as Hounslow (76), Waltham Forest (70) and Kingston (60).

[24] GLA (2014), accessed at http://www.london.gov.uk/sites/default /files/BD114 %20GLA%20IAC%20Pre-publication%20draft%20report.pdf

[25] GLA (2014), accessed at https://www.london.gov.uk/priorities/regeneration/publications-guidance/supporting-places-of-work-artists-workspaces

15. Baseline Note L: How are town centres / evening economy performing in Redbridge?

Summary of Key Factors which will affect the Economic Strategy

- The retail sector overall performs relatively well in the borough, and appears not to have been too negatively affected by other nearby developments, such as Westfield at Stratford. However, there appears to be clear opportunities for the offer to be enhanced.
- The nature of nearby developments such as Westfield mean that Ilford and other centres in Redbridge are unlikely to be able to compete for exactly the same markets, so may need to develop more niche retail and leisure offers eg opportunities to develop a niche retail and food offer along Ilford Lane.
- The evening economy in the borough is relatively weak, and there is an opportunity to increase employment and the town centre offer in Redbridge in this respect.
- The Housing Opportunity Zone in Ilford creates an opportunity to help drive the enhancements needed to further develop the overall retail and leisure offer in town centres.

Town Centre Performance

15.1 In total there are seven town centres in Redbridge, containing around 21,000 employees and 2,150 businesses.

Table 15.1 Summary of town centre performance indicators

	Total businesses	% retail and wholesale	Total employment	Total Units	Total Floorspace (sqm)	Vacancy rates
Ilford	950	17%	11,500	220	146,000	16%
South Woodfood	400	26%	3,600	120	34,100	4%
Gants Hill	350	9%	2,700	65	23,000	15%
Wanstead	150	18%	1,400	65	15,500	13%
Barkingside	150	29%	1,800	85	29,800	4%
Ilford Lane	100	31%	500			
Chadwell	50*	22%*	200*	65	19,400	4%
Total	-	-	*21,000*	*620*	-	-

*Note: Accounts for region within Redbridge boundary
Source: IDBR, 2015; Town Centre Health Checks.

15.2 In order to examine town centre performance, each will be separately discussed using a range of indicators.

Ilford

15.3 The Ilford Area Action Plan identifies a number of challenges facing the town centre. This takes into account retail uses in the town centre, with a greater range, quality and diversity required and with new forms of retail and leisure. In order to achieve a vibrant mix of uses, development is required to comply with a land use strategy which promotes a number of mixed use sites.

15.4 The retail offer along Ilford Lane to the South of the centre with a stronger Asian retail and leisure offer provides a significant opportunity to enhance the diversity and uniqueness of the town centre's offer.

15.5 Leakage of expenditure is identified as an issue (with data supporting this showed in a later paragraph).

15.6 According to the area action plan greater investment from existing and new businesses is required to strengthen the existing employment base. The council aims to achieve this by encouraging provision of new, high quality office floorspace as part of mixed use development, as well as enhancing existing retail areas and promoting new leisure, retail and food premises throughout.

15.7 According to London Town Centre Health Check data, Ilford is the 10th largest London town centre with a total floorspace of 145,860sqm. Retail is the most prominent use of floorspace (68%), whilst leisure (16%) is below the London town centre average (26%).

15.8 Vacancy rates (16%) are above the London average (9%), although this level of vacancy is similar in larger centres perhaps due to greater competition and subsequently higher business churn.

Table 15.2 Summary of Town Centre Uses

	Total	Retail	Leisure	Vacant
Units		219	96	59
Floorspace (sqm)	145,860	99,758	23,079	23,023
% of total	100%	68%	16%	16%
London TC average	-	*65%*	*26%*	*9%*
% difference	-	*+3%*	*-10%*	*-7%*

Source: GOAD, London TCHC Technical Annex, 2012

Retail

15.9 Comparison goods dominate the retail offer, comprising 55% of total floorspace (133 units). This indicates the area is successful in consistently drawing in a large customer base through irregular visits. Having said that there is a distinct lack of retail diversity vital for a healthy town centre, as identified in the area action plan.

Table 15.3 Summary of Retail Uses

	Comparison	Convenience	Service
Units	133	41	45
Total	80,771	12,494	6,493
% of total	55%	9%	4%
London TC average	*42%*	*14%*	*8%*
% difference	*+13%*	*-5%*	*-4%*

Source: GOAD, London TCHC Technical Annex, 2012

15.10 Multiple retailers account for 79% vs 21% independent retailers, but this is not unexpected given the size of the town centre and the potentially large catchment available for large retailers.

15.11 Retail and wholesale businesses comprise 17% of all businesses, a smaller proportion than Business support (22%) and professional services (21%). Of all retail businesses, the most prominent activity (19% of businesses) is the retail sale of clothing in specialised stores (32 businesses).

Table 15.4 Retail & wholesale businesses

Retail	Total businesses	% retail & wholesale
Retail sale of clothing in specialised stores	32	19%

Retail sale in non-specialised stores with food, beverages or tobacco predominating	20	12%
Retail sale of second-hand goods (other than antiques and antique books) in stores	10	6%
Retail sale of bread, cakes, flour confectionery and sugar confectionery in specialised stores	10	6%
Other retail sale in non-specialised stores	9	5%

Source: IDBR, 2015

Evening Economy

15.12 A large proportion of leisure uses are associated with the evening economy, in particular:

- Restaurants
- Cinemas, theatres & concert halls
- Bars and pubs
- Clubs
- Fast food & takeaway
- Hotels & guest houses

15.13 Leisure uses comprise a smaller proportion of Ilford town centre, although still remains a sizeable amount floor space (23,079sqm). There are signs of an evening economy, with 29% of leisure floor space consisting of restaurants, 15% bars and pubs and a small proportion of cinemas, theatres & concert halls. However, the large majority of evening uses are fast food & takeaway (46%), which are less conducive to supporting a vibrant night time economy.

Retention rates

15.14 The level of leakage expenditure in the town centre is identified as a challenge in the Ilford area action plan.

15.15 According to the retail, leisure and office demand study, of the total catchment spend available in Ilford (£380M) around 50% is spent in the same area. This is just above the average for town centres in Redbridge (48%). This could be attributable to the size of the catchment and the lower proportion of convenience shops, encouraging residents to utilise convenience shopping in other nearby town centres. In addition, the shortage of evening uses means Ilford is missing out on a large proportion of potential spend in the evening economy.

South Woodford

15.16 South Woodford is a medium sized district town centre with a total floorspace of 145,860sqm (containing 192 units). The largest proportion of floorspace (68%) is retail with a significant proportion of leisure floorspace (34%) above the London town centre average (26%)

15.17 Low vacancy rates (4%) relative to the London average (9%) indicate a good level of demand from businesses to locate in the town centre.

Table 15.5 Summary of Town Centre Uses

	Total	Retail	Leisure	Vacant
Units	192	120	59	13

Total floorspace	34,127	21,157	11,475	1,495
% of total	100%	62%	34%	4%
London TC average	-	65%	26%	9%
% difference	-	+3%	-10%	-7%

Source: London TCHC Technical Annex, 2012

Retail

15.18 There is a good diversity of retail uses, although there is a greater proportion of convenience floorspace (27%) than comparison (21%), suggesting the town centre serves a more local residential catchment for every day trips.

Table 15.6 Summary of Retail Uses

	Comparison	Convenience	Service
Units	53	20	47
Total	7,014	9,214	4,929
% of total	21%	27%	14%
London TC average	*42%*	*14%*	*8%*
% difference	*-21%*	*+13%*	*+6%*

Source: GOAD, London TCHC Technical Annex, 2012

15.19 The proportion of independent retailers is just over half (55%) vs multiple retailers (45%).

15.20 Retail and wholesale businesses comprise 13% of all businesses, a smaller proportion than professional services (26%) and Business support (22%). Of all 48 retail businesses, the most prominent activity (10% of businesses) is the retail sale in non-specialised stores with food, beverages or tobacco predominating (5 businesses).

Table 15.7 Key Business Activities

SIC Business Activity	**Total businesses**	**% of all retail & wholesale businesses**
Retail sale in non-specialised stores with food, beverages or tobacco predominating	5	10%
Retail sale of bread, cakes, flour confectionery and sugar confectionery in specialised stores	4	8%
Retail sale of second-hand goods (other than antiques and antique books) in stores	4	8%
Retail sale of watches and jewellery in specialised stores	4	8%
Other retail sale in non-specialised stores	3	6%

Source: IDBR, 2015

Evening Economy

15.21 As previously identified, leisure uses comprise a significant proportion of South Woodford, with a sizeable floor space of 11,475sqm.

15.22 Unlike other centres in Redbridge, over half of evening leisure uses are restaurants, with fast food & take away uses contributing far less to the night time economy (27%). This indicates a vibrant and local evening economy, with a good range of independents benefiting local supply chains in the area.

Retention rates

15.23 According to the retail, leisure and office demand study (2011), out of the total spend available in the South Woodford catchment (£27M) around 48% is retained in the same area. This is in line with the average for town centres in Redbridge (48%).

Gants Hill

15.24 Gants Hill is a small district town centre with a total floorspace of 10,229sqm (containing 129 units).

15.25 The Area Action Plan adopted for Gants Hill in 2009 identifies a number of challenges, including improving the quality and range of retail, in particular through provision of a major supermarket.

15.26 In addition, a rebalancing of land uses from industrial and office employment to one that builds upon the strength of the housing and evening economy sectors is identified.

15.27 Finally, growth in the evening economy is recognised as an issue, given the negative cumulative effects that can result from an increase in the number of late night entertainment establishments (e.g. anti-social behaviour). In order to tackle this, the council aims to control the number of drinking establishments or nightclubs.

15.28 Although the largest proportion of floorspace is retail (44%), perhaps the most significant town centre use is leisure, with a total of 9,632sqm in floor space (41% of total floorspace) which is 15 percentage points higher than the London average (26%).

15.29 Vacancy rates (15%) are higher than London average (9%). Given the smaller scale of the town centre, a high proportion of vacancy could have a more notable visual effect.

Table 15.8 Summary of Town Centre Uses

	Total	Retail	Leisure	Vacant
Units	129	66	46	17
Floorspace	23,231	10,229	9,632	3,370
% of total	100%	44%	41%	15%
London TC average	-	*65%*	*26%*	*9%*
% difference	-	*-11%*	*+15%*	*+6%*

Source: London TCHC Technical Annex, 2012

Retail

15.30 There is a reasonably even spread of retail types, with a greater proportion of service goods uses (18%). Coupled with the relatively small size of the town centre, this suggests the role of the town centre is to serve a local catchment.

15.31 Comparison floorspace (14% of total floorspace) is significantly below the London Town Centre average (42%).

Table 15.9 Summary of Retail Uses

	Comparison	Convenience	Service
Units	25	12	29
Total retail floorspace	3,185	2,779	4,265
% of total floorspace	14%	12%	18%
London TC average	*42%*	*14%*	*8%*
% difference	*-28%*	*-2%*	*+10%*

Source: London TCHC Technical Annex, 2012

15.32 The small and local nature of the town centre is further supported by a large proportion of independent retailers (75%) as opposed to multiple retailers (25%). Although greater demand from multiple retailers indicates a strong customer base, a large proportion of independents indicates a good business environment for SMEs.

15.33 Similar to other centres, retail and wholesale businesses comprise 13% of all businesses, a smaller proportion than Business support (28%) and professional services (21%). Of all 29 retail businesses, the most prominent activity (21% of businesses) is the retail sale in non-specialised stores with food, beverages or tobacco predominating (6 businesses).

Table 15.10 Key Business Activities

SIC Business Activity	Total businesses	% retail & wholesale
Retail sale in non-specialised stores with food, beverages or tobacco predominating	6	21%
Retail sale by opticians	4	14%
Retail sale of bread, cakes, flour confectionery and sugar confectionery in specialised stores	3	10%
Retail sale of beverages in specialised stores	2	7%

Source: IDBR, 2015

Evening Economy

15.34 Leisure uses comprise a significant proportion (41%) of Gants Hill, with a sizeable floorpsace of 9,632sqm.

15.35 Similar to other centres in Redbridge the majority of evening leisure uses (41%) are fast food & take away uses. Having said that 38% are restaurants, and Gants Hill is home to the highest proportion of bars and pubs (16%) of any other Redbridge Centre. This supports a vibrant evening economy, but also relates to the challenge in the AAP which looks at potential anti-social behaviour resulting from an increasing number of drinking establishments.

15.36 The strength of the evening economy is recognized by Gants Hill's Purple Flag status, awarded by the Association of Town Centre management (ATCM) in accreditation of excellence of its night-time economy. The award uses a range of criteria including range of venues.

Retention rates

15.37 According to the retail, leisure and office demand study (2011), 54% of spend available in the Gants Hill catchment (£12M) is retained in the same area. This is higher than all other town centres in Redbridge and is most likely attributable to the strength of the evening economy.

Barkingside

15.38 Barkingside is a medium sized district town centre with a total floorspace of 29,870sqm.

15.39 The town centre contains a higher proportion of leisure floorspace (31%) than the London town centre average (26%).

15.40 Vacancy rates (15%) are higher than London town centre average (9%).

Table 15.11 Summary of Floorspace (sqm)

	Total	Retail	Leisure	Vacant
Units	126	84	31	11
Floorspace (sqm)	29,870	19,523	9,262	1,085
% of total	100%	65%	31%	4%
London TC average	-	*65%*	*26%*	*9%*
% difference	-	*0%*	*+6%*	*-5%*

Source: London TCHC Technical Annex, 2012

Retail

15.41 The majority of retail uses are convenience, comprising (39% of total town centre floorspace.

Table 15.12 Summary of Retail Uses

	Comparison	Convenience	Service
Units	33	24	27
Total retail floorspace	5,155	11,565	2,803
% of total floorspace	17%	39%	9%
London TC average	*42%*	*14%*	*8%*
% difference	*-25%*	*+25%*	*-1%*

Source: London TCHC Technical Annex, 2012

15.42 Multiple retailers account for 63% compared with independent retailers (37%).

15.43 In contrast to other centres, retail and wholesale businesses comprise the largest proportion of businesses (29%) greater than professional services (22%) and hospitality and leisure (20%). Of all 42 retail businesses, the most prominent activity (14% of businesses) is the retail sale in second-hand goods (6 businesses).

Table 15.13 Retail uses

Retail	Total businesses	% retail & wholesale
Retail sale of second-hand goods (other than antiques and antique books) in stores	6	14%
Retail sale of bread, cakes, flour confectionery and sugar confectionery in specialised stores	4	10%
Retail sale in non-specialised stores with food, beverages or tobacco predominating	4	10%
Dispensing chemist in specialised stores	3	7%
Retail sale by opticians	2	5%

Source: IDBR, 2015

Evening Economy

15.44 As identified previously, leisure uses comprise a significant proportion (41%) of Barkingside, with a sizeable floorspace of 9,632sqm.

15.45 Having said this, the majority of evening uses (67%) are fast food & take away uses, larger than any town centre in Redbridge.

Retention rates

15.46 The retail, leisure and office demand study (2011) suggests 38% of spend available in the Barkingside catchment (£42M) is retained in the same area. This is relatively low compared to other town centres in Redbridge and could be driven by a shortage of comparison floorspace.

Chadwell Heath

15.47 Chadwell Heath is a medium sized district town centre that borders Redbridge/Barking and Dagenham, with a total floorspace of 19,838sqm.

15.48 Leisure uses (31% of total floorspace) account for a higher proportion than London average (26%).

15.49 Vacancy rates (4%) are lower than London average (9%).

Table 15.14 Summary of Floorspace (sqm)

	Total Floorspace	Retail	Leisure	Vacant
Total	19,838	12,846	6,240	752
% of total	100%	65%	31%	4%
London TC average	-	*65%*	*26%*	*9%*
% difference	-	*0%*	*+6%*	*-5%*

Source: London TCHC Technical Annex, 2012

Retail

15.50 The majority of retail floorspace is for convenience goods, highlighting the role as serving a smaller catchment in a district. 31% of floorspace compared to 22% comparison and 12% service.

Table 15.15 Summary of Retail Uses

	Comparison	Convenience	Service
Units	33	10	23
Total retail floorspace	19,523	11,565	2,803
% of total floorspace	17%	39%	9%
London TC average	*42%*	*14%*	*8%*
% difference	*-35%*	*+25%*	*-1%*

Source: London TCHC Technical Annex, 2012

15.51 Multiple retailers account for 52% vs independent retailers (48%).

15.52 Data on businesses in Chadwell Heath is limited, due to IDBR data only accounting for businesses located within the Redbridge boundary (as opposed to the Barking and Dagenham boundary). For example, only 7 businesses are captured within the dataset, which is unable to represent any significant trends.

Evening Economy

15.53 Leisure uses comprises a significant proportion (31%) of Chadwell Heath, with a sizeable floorpsace of 6,240sqm.

15.54 In line with other centres, Fast Food & Take Away businesses account for the majority of evening uses (64%). However, Chadwell Heath does contain the largest proportion of Bars and Pubs (18%) of any other centre in Redbridge.

Table 15.16 Retail uses

Business activity	Total businesses	% retail & wholesale
Retail sale of clothing in specialised stores	12	36%
Retail sale of furniture, lighting equipment and other household articles (other than musical instruments) not elsewhere classified.	3	9%
Retail sale of watches and jewellery in specialised stores	3	9%
Dispensing chemist in specialised stores	2	6%
Retail sale in non-specialised stores with food, beverages or tobacco predominating	2	6%
Retail sale of meat and meat products in specialised stores	2	6%

Source: IDBR, 2015

Retention rates

15.55 The retail, leisure and office demand study (2011) suggests 39% of spend available in the Chadwell Heath catchment (£42M) is retained in the same area. This is relatively low compared to other town centres in Redbridge and similar to Barkingside may be driven by a shortage of comparison floorspace.

Competing centres

15.56 Competing retail centres can present a threat to the viability and performance of town centres. Nearby competing centres include Lakeside, Stratford City and other town centres including Romford and Barking.

Table 15.17 Summary of Competing Centres

	Lakeside[26]	Stratford City[27]	Romford TC [28]	Barking TC
Total Units	249	358	595	260
Total Floorspace (sq.m)	449,000	176,000	235,000	51,000

15.57 Expenditure leakage provides an indication of the total available spend lost in an area, and the level of competition raised by other centres. Some leakage can be expected (especially when competing centres are in close proximity), however significant proportions of leakage from particular centres can indicate an imbalance.

15.58 The main centres where comparison goods expenditure leakage is lost are Stratford City, Lakeside, Romford Town Centre and Barking Town centre. According to data presented in the table below, Stratford city is one of the strongest competitors, taking over a quarter of comparison expenditure from Barkingside, Gants Hill and South Woodford.

15.59 Town centres also show signs of providing direct competition, with Romford Town Centre capturing 46% of Chadwell Heath's comparison spend, and 12% from Barkingside (although figures are much lower for other town centres).

[26] https://www.intugroup.co.uk/where-we-do-it/our-uk-centres/intu-lakeside/key-facts/

[27] http://westfield.completelyretail.co.uk/all-schemes/scheme/Westfield-Stratford-City-London.html

[28] https://www.havering.gov.uk/Documents/Regeneration/Romford-Development-Framework-Launch.pdf

Table 15.18 Comparison Goods Expenditure Leakage

Centre	Lakeside	Stratford City	Romford TC	Barking TC
Barkingside	-	26%	12%	-
Chadwell Heath	8%	13%	46%	5%
Gants Hill	6%	38%	9%	-
Illford	9%	-	7%	9%
Illford Lane	8%	-	4%	22%
South Woodford	5%	31%	-	-

Source: Retail, leisure and office demand study, 2012.

16. Baseline Note M: What is the real impact of Crossrail?

Summary of Key Factors which will affect the Economic Strategy
• The introduction of Crossrail will be an asset to Redbridge, albeit the benefits will not be universal and the greatest opportunities are likely to be in a small number of key locations, particularly Ilford. • Benefits are most likely to yield from development and regeneration impacts, improving the public realm and environment and incentivising commercial investment in the borough. The Council can help to shape and maximise this regeneration potential through its planning powers, guided by the needs of the economic strategy. • Travel impacts and time savings are most significant along new tunnelled sections of the line, providing access to new markets and labour supplies, particularly in central, west and south east sections, strengthening connections to London. • The Crossrail Corridor and supportive planning policy is a stimulus to regeneration, albeit the effects of this may take time to materialise as the construction of the line becomes tangible. • Assets, such as the Tunnelling and Construction Academy present an in opportunity to strengthen and distinguish the skills and employment offer of the borough.

Context of Crossrail in Redbridge

16.1 The impending arrival of Crossrail within the London Borough of Redbridge is of considerable significance, as the largest infrastructure construction project in Europe. With the construction phase now well underway, the focus of much activity within the Borough is along the railway corridor itself and around the four affected stations. These are:

- Chadwell Heath Station
- Goodmayes Station
- Ilford Station
- Seven Kings Station

16.2 The headline impacts associated with Crossrail are aligned to significant journey time savings, increasing London's rail capacity by up to 10%[29], direct connectivity to new areas, markets and infrastructure, the creation of new transportation hubs (in some cases 'superhubs' such as Farringdon, Paddington and Tottenham Court Road) and considerable regeneration opportunities, focused particularly on stations and their immediate environs.

16.3 There is a considerable amount of published research and data, looking to both forecast and assess existing impacts of Crossrail across the capital. Crucially, this intelligence highlights the anticipated variations at locations along the line, with the assumption that some areas stand to benefit more than others.

16.4 As part of the brief for the development of a Local Economic Strategy, the Borough Council has asked that the impacts of Crossrail, relevant to Redbridge, be evaluated in more detail. The following analysis sets out our initial findings.

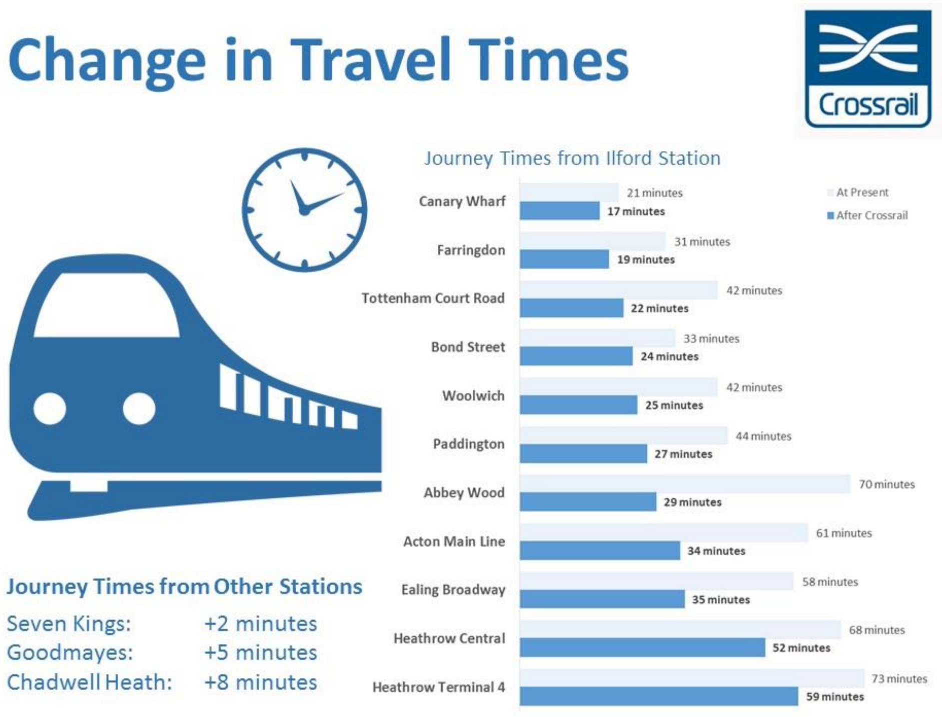
[29] Knight Frank Crossrail: Analysing Property Market Performance from Reading to Shenfield, 2015

Crossrail's impact on access and travel times

16.5 One of the key benefits derived from Crossrail is an improvement in travel times and accessibility to key stations/locations across the capital, from east to west. Once complete in 2019, it is estimated that a further 1.5 million people will be within a 45 minute commute to Central London[30]. Considerable data is available relating to journey time savings, which demonstrates the impact to and from all Crossrail stations.

16.6 An illustration of the impact on journey times from Ilford to key stations is outlined below.

Figure 16.1 Change in Travel Times as a result of Crossrail



Source: Transport for London, Regeneris Consulting

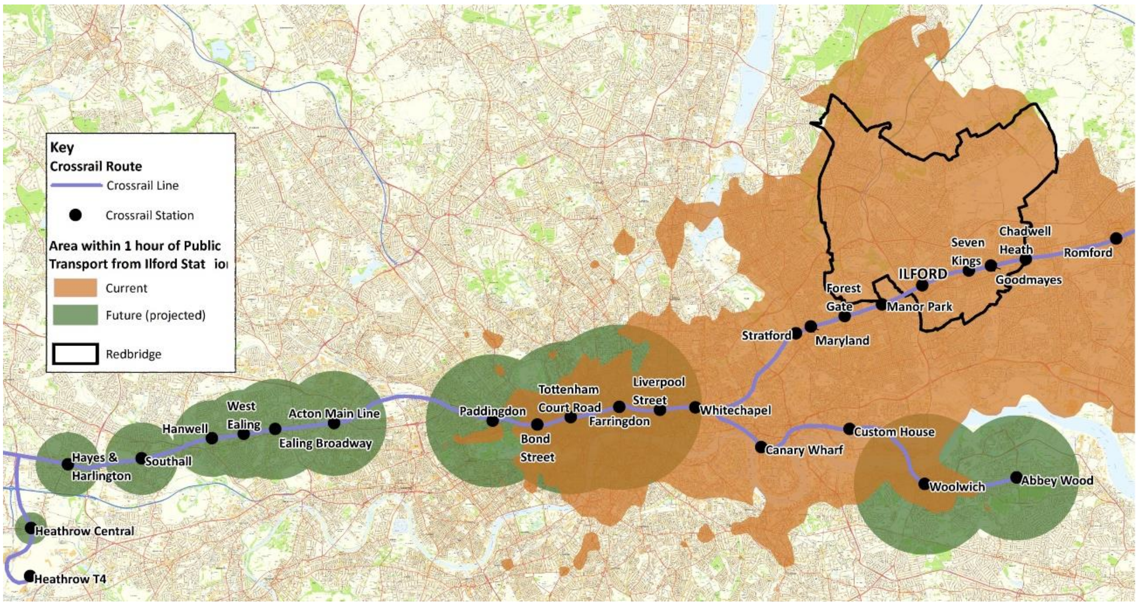
16.7 Other data sources provide additional intelligence in relation to how Crossrail is likely to impact journey times and the possible nature of changing travel patterns. The map in figure 16.2 below shows that some of the biggest impacts for Redbridge will be newly accessible locations in the central, western and south eastern sections. This is particularly true of those stations which are connected to the line as part of newly tunnelled sections, where the hinterlands become increasingly accessible. Beyond this, Figure 16.2 also demonstrates the potential for more distant locations to be within a 1 hour travel radius. A good example would be improved interconnectivity with transit 'superhubs' such as Farringdon and Tottenham Court Road, where parallel investment in improved services, including Thameslink, enables enhanced access to suburban areas and satellite settlements.

16.8 Enhanced journey time to other parts of London, provide considerable access to new markets for Redbridge-based enterprises, with Central London and Heathrow of particular significance. In addition, improved services to South East sections of the line, such as Woolwich and Abbey Wood

[30] Knight Frank Crossrail: Analysing Property Market Performance from Reading to Shenfield, 2015

will also provide opportunities for the expansion of economic geographies, the customer base and associated supply chains.

Figure 16.2 Impact of Crossrail on Journey Times from Ilford Station



Source: Regeneris Consulting & Get Travel Time

Note: Future times have been calculated using the proposed journey times by Crossrail to new stations and the estimated distance someone could walk after this journey, assuming a 400 metre walk takes 5 minutes (source: TfL Legible London Yellow Book). These are conservative given that other public transport connections may be possible from Crossrail stations, which would increase the area a person could travel to (e.g. Thameslink connections from Farringdon).

16.9 Other literature and research reaffirms the biggest impact of Crossrail on eastern sections of the line is through the enhanced access to the West End, Heathrow and Canary Wharf, providing access to new markets and enhancing the Borough's inward investment offer and as a place to do business.[31] This is evidenced by the fact that journey times into Liverpool Street will be largely unaffected on the eastern section due to the use of existing track alignments.

16.10 Given this evidence, inwards and outwards commuting patterns should be monitored closely (further data provided in Baseline Note 3), to monitor the impact of Crossrail and it dramatically improving accessibility to central and western London, with the addition of settlements beyond the M25. The effects of this could present both challenges and opportunities to the Borough in terms of its relative economic strengths and relationship with neighbouring areas.

16.11 There should be an expectation that the arrival of Crossrail is likely to have a significant psychological impact on the local population and business. This may be less tangible in terms of measurement but the transition to Transport for London ownership, creation of the newly-titled 'Elizabeth Line' and inclusion of the iconic 'Roundel' branding will have considerable resonance. Indeed, an impact study commissioned by Transport for London looked at the effect of the recently introduced London Overground service, which concluded that amongst a number of factors, enhancements in branding and marketing contributed to an increased awareness and popularity of train services[32].

[31] JLL Residential Research Crossrail: Identifying Opportunities, 2015

[32] Transport for London – London Overground Impact Study, 2012

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What is the impact of Crossrail within the Borough now and what is it likely to be in the future?

16.12 This section looks at the impact of Crossrail on residential and commercial property within Redbridge. This uses a methodology of evaluating impact using a radius of 1km around the four stations along the line (1km is equivalent to a 10-15 minute walk from the station in question)[33].

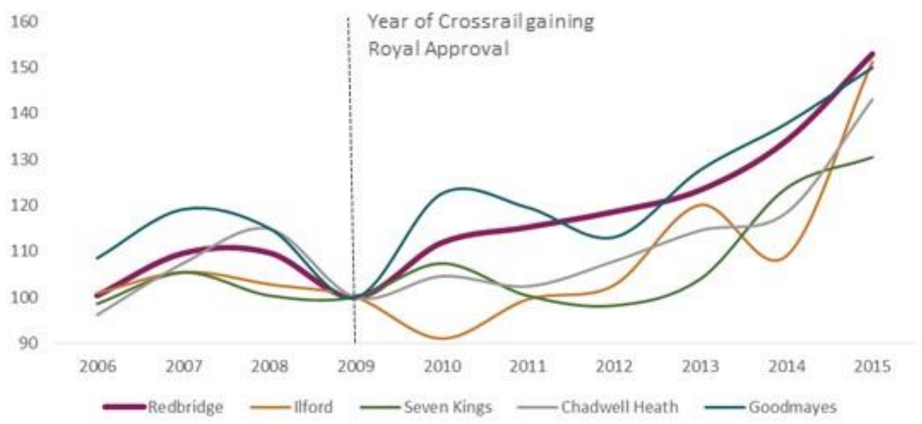
16.13 Where possible, time series data has been used to highlight changes and illustrate the impact of Crossrail on the property market, capturing time before and after Crossrail received Royal approval and the construction process began.

16.14 Property prices around the Crossrail stations in Redbridge have all shown growth in the last five years. In 2015, the average property transaction in Redbridge was £391,000, much higher than in the 1km radius around Ilford (£343,000), Seven Kings (£311,000), Chadwell Heath (£277,000) and Goodmayes (£306,000) stations.

16.15 Over time, prices around the Crossrail stations have also not been as high as Redbridge, although they have caught up slightly in the last year. Over the last ten years, house prices in Redbridge have increased by 52%, higher than the 1km around Ilford (50%), Seven Kings (32%), Chadwell Heath (49%) and Goodmayes (38%) stations.

16.16 But in the last year, Ilford has seen a sharp increase in property prices, increasing by 39% between 2014 and 2015, and Chadwell Heath increasing by 21%. This is above the Redbridge growth rate of 14% for that year.

Figure 16.3 Average Property Prices, 2006-15

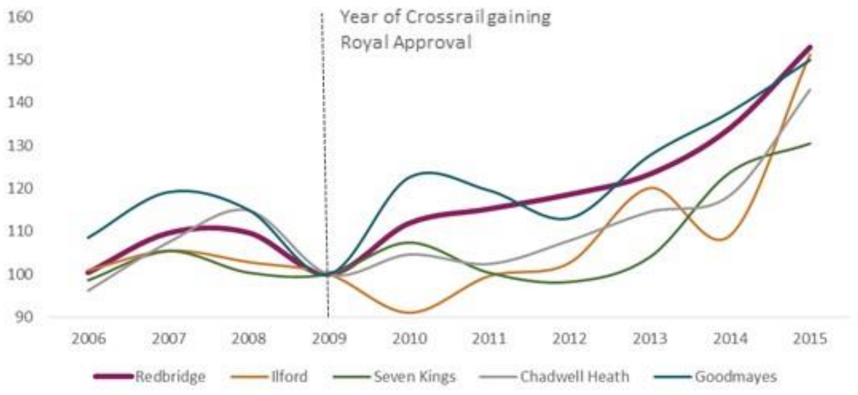


Source: Land Registry, 2015 Note: Average Property Prices Indexed with 100 = 2009. Property prices for stations are for those houses within Redbridge which are within 1km of the station.

16.17 The number of property transactions has been relatively stable over the last seven years, following a fall of over 50% during the last recession. Across all four Crossrail stations, 2014 saw the most property transactions in a given year, reaching a combined peak of 950 transactions. This decreased to 820 transactions in 2015, a 14% fall.

[33] This approach is consistent with methodology employed in other Crossrail studies, including data published by GVA, Crossrail and Frank Knight.

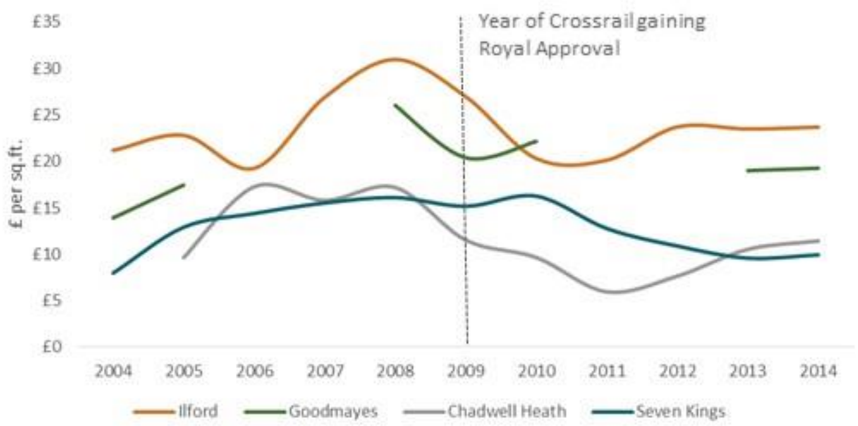
Figure 16.4 Change in Number of Property Transactions, 2006-15



Source: Land Registry, 2015 Note: Property Transactions Indexed with 100 = 2009. Properties are for those houses within Redbridge which are within 1km of the station.

16.18 Commercial rents data, available from Estates Gazette provides an approximation of the rents paid each year for office, industrial, retail and leisure floorspace in the area around Redbridge's Crossrail stations. This does not provide data for all buildings in the area, and so should be treated only as a guide. It shows that commercial rents have not increased significantly over the last ten years. Commercial rents within a one kilometre radius of Ilford station have increased by 12% in the last ten years. Seven Kings and Chadwell Heath saw commercial rents rise until 2008-10, but have since fallen back to the same level as ten years ago.

Figure 16.5 Commercial Rents around Crossrail Stations (3 Year Moving Average), 2004-14

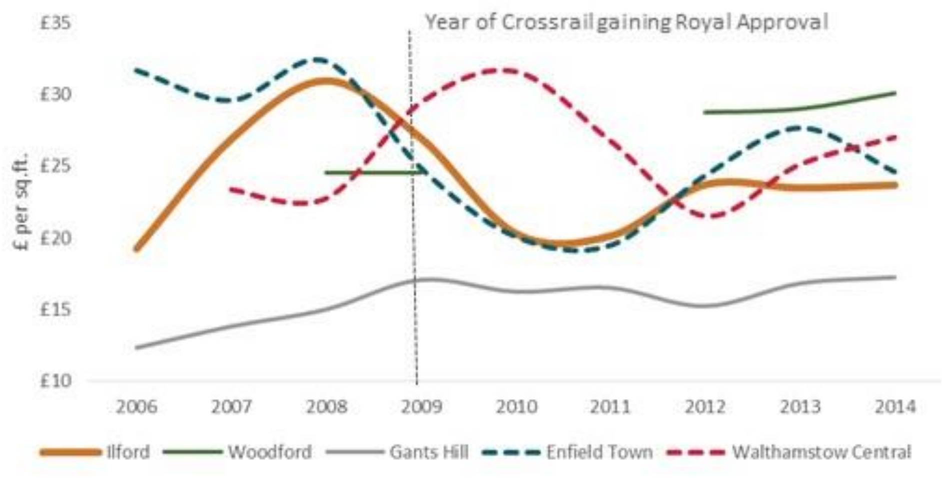


Source: Estates Gazette (2016) & Regeneris Consulting

Note: Commercial Rents data is based on a one kilometre radius of each station. There is no data available for Goodmayes for 2006-07 and 2011-12, and Chadwell Heath in 2004.

16.19 Commercial rents in comparator areas such as Redbridge's underground stations (Woodford and Gants Hill) and stations within town centres in other boroughs (Enfield Town and Walthamstow Central) are similar to those in Ilford, with all experiencing significant fluctuations between 2006 and 2014. Only the Central Line stations (Woodford and Gants Hill) have experienced some form of sustained growth, increasing by 23% and 40% respectively.

Figure 16.6 Commercial Rents (3 Year Average) around Stations in Ilford (Crossrail), Woodford and Gants Hill (Central Line), Enfield Town and Walthamstow Central (in comparator boroughs)



Source: Estates Gazette (2016) & Regeneris Consulting

Note: Commercial Rents data is based on a one kilometre radius of each station. There is no data available for Woodford for 2006-07 and 2010-11, and Walthamstow Central in 2006.

Further context and anticipated future impacts of Crossrail

16.20 Further context is provided by other literature and reports assessing the impact and potential future legacy of Crossrail.

16.21 The intelligence presented within the Redbridge Economy baseline note shows that the Borough has experienced economic growth over the period 2010-15. The data here demonstrates an increase in trading enterprises, higher levels of employment, as well as a greater proportion of employment captured within the private sector (helping to rebalance the shrinkage of the public sector employment base). It is plausible to assume that some causal links may exist between these economic uplifts and the development of Crossrail infrastructure.

16.22 A study conducted in 2012 by GVA provides specific intelligence on Crossrail stations, indicating property value performance (historic and forecasted), as well as a series of confidence ratings linked to longer-term prospects, including wider regeneration and housing development[34]. In summary:

Chadwell Heath:

- Longer-term impacts anticipated to be 'limited', with little change to development context.
- Greater impact predicted on residential sectors rather than commercial/retail.
- Most significant residential price increase expected in outlying areas (extended zones of influence beyond 1km); this is the reverse of the relationship between property value and station proximity experienced on the Central Section of the line.

[34] Most relevant information sourced from GVA Crossrail Property Impact Study, 2012, JLL Residential Research Crossrail: Identifying Opportunities, 2015 and Knight Frank Crossrail: Analysing Property Market Performance from Reading to Shenfield, 2015

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- Not identified as potential 'hot-spot' in terms of the residential, office and retail markets.
- Office and retail markets face particular challenges in relation to greater competition from improved Central London connectivity, e-tailing and the emergence of large regional shopping centres such as Canary Wharf and Stratford.

Goodmayes

- As per the findings for Chadwell Heath, but with a more positive outlook on the prospects for future development and regeneration, which may trigger property price impacts.

Ilford

- Ilford is seen as an area of specific interest as a sizeable town centre with significant regeneration and development opportunities.
- There is particular enthusiasm that improved accessibility to Ilford station will accelerate residential and housing schemes. However, this impact is likely to take some time to materialise and will exceed market benchmarks by 2025.
- There is an expectation that there will be a shift from commercial/retail to increased residential property.
- Supportive planning policy and aspirations for renewal must be in place to trigger development.

Seven Kings

- As per the findings for Chadwell Heath, but with a more positive outlook on the prospects for future development and regeneration, which may trigger property price impacts.

16.23 This suggests that eastern sections of the line within Redbridge are less exposed to the most transformative forms of regeneration and property price impact, although there are local variations. As such, the most significant property and regeneration impacts are reserved for central stations and sections of Crossrail, but opportunities for Redbridge should be actively monitored.

16.24 Additional research undertaken, assessing the scope for future development opportunities, also provides some useful insight at stations within the Borough[35]. Again, the findings suggest variations in property and regeneration impact along the line, however there is also a degree of confidence that all station locations will benefit from a higher profile and greater consumer/developer interest.

16.25 It is possible to summarise the findings for the respective Redbridge stations, ranking each impact element on a scale of 1(low impact) to 10 (high impact):

Table 16.1 Impact of Crossrail Scores

Score (out of 10)	Chadwell Heath	Goodmayes	Ilford	Seven Kings
Overall Crossrail impact	3	2	3	1.5
New development opportunity	4	2	6	3
Travel improvement	3	3	3	3
Regeneration impact	2	3	4	2

[35] JLL Residential Research Crossrail: Identifying Opportunities, 2015

2021-2030 long-term opportunity	5.5	5	10	4.5
Total score	17.5	15	23	14

Source: JLL Residential Research, 2015

16.26 The results above reiterate the relatively muted prospects for transformation benefits attributed to Crossrail in Redbridge, particularly when compared to other locations along the line such as Whitechapel. The exception to this again is Ilford, where the town centre location, potential to shift commercial use to residential development and longer-term regeneration opportunities assume a more positive outlook.

16.27 Putting this into context with other stations along the Crossrail route, one central the other on the western section, the overall scores achieved in Redbridge look somewhat disappointing. Whitechapel achieves a cumulative score of 33, which is consistent with the considerable regeneration expectations for the station and surroundings. Southall, in West London, achieves a score of 29, which is interesting as its location is somewhat comparable to that of the Redbridge stations, situated in an outer London borough.

16.28 Finally, research undertaken by Frank Knight[36] evaluated property market performance along the line, within a 15 minute walk from respective stations. This data reveals that property price performance at Redbridge station locations has been disappointing, where growth has underperformed when compared to Local Authority averages. This stagnation of value growth is particularly apparent in Ilford, where prices have lagged by 10% versus Redbridge as a whole. In such circumstances, the role for supportive planning policy and other conditions that may favour development along the Crossrail Corridor is perhaps even greater.

16.29 The presence of the Tunnelling and Underground Construction Academy TUCA) and Bombardier's depot in Ilford is of longer-term regeneration relevance. The pipeline of work created by Crossrail 2 (subject to approval and secured funding) will likely maintain scope for Crossrail-related investments in the area, triggering wider regeneration and further enhancing the Borough's strengths in railway-based manufacturing and construction. Education and business links to these institutions are explored in more depth in the Higher Education baseline note (Chapter 8). TUCA, in particular, should be viewed as a significant local asset, offering specialised skills that will support construction projects across the UK.

The effectiveness of the Crossrail Corridor Action Plan

16.30 The Borough Council acknowledges the strategic importance of Crossrail to the future prosperity of Redbridge. This is articulated in the form of a series of supportive planning policies and ambitions, captured as part of the Crossrail Corridor Area Action Plan.

16.31 The Crossrail Corridor Area Action Plan was formerly endorsed by the Council in September 2011, with the primary intention of exploiting the benefits of Crossrail through a complementary planning framework. This follows a corridor along the route of the line, running broadly in parallel with the original High Road. It also encapsulates some of the most important town centres, such as Chadwell Heath, Goodmayes and Seven Kings, which will feature upgraded stations and improvements to the public realm. It does not, however, include Ilford which is identified as a separate regeneration opportunity area in its own right.

16.32 The Action Plan focuses on delivering improvements and enhancements to the High Road in particular, by identifying priority opportunities for new housing, improved commercial/retail offerings, public realm improvements and associated education, leisure, healthcare and

[36] Knight Frank Crossrail: Analysing Property Market Performance from Reading to Shenfield, 2015

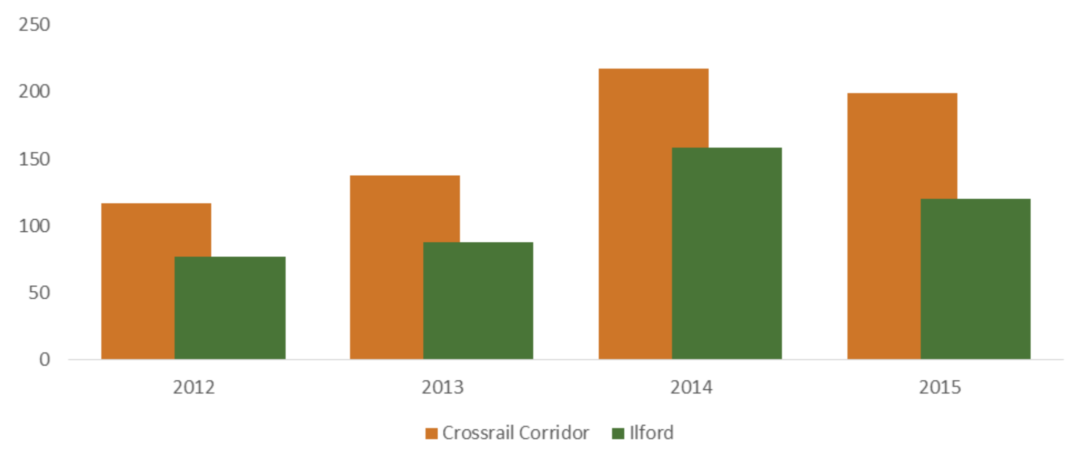
community facilities. For the purposes of this analysis and evaluating the economic aspects, we have most interest in housing, commercial and regenerations schemes.

16.33 The importance of supportive planning policy is noted within associated Crossrail research[37], as a key contributor to the delivery of the full economic development and regeneration potential of the line[38]. The Borough's proactive approach to this, through the creation of the Crossrail Corridor Action Plan, should therefore be seen as an asset and an enabler of delivery.

16.34 Given some time has elapsed since the Action Plan was adopted and Crossrail gained Royal Assent, the Borough Council is interested in understanding to what extent this has been effective at bringing development forward, in line with its schedule of sites.

16.35 There has been an increase in the number of planning applications around Ilford town centre and the Crossrail Corridor Area Action Plan, peaking in 2014, with 220 applications made in the Crossrail Corridor and 160 made in Ilford. In total 670 planning applications have been made in the Crossrail Corridor since 2012 and 440 applications made in Ilford.

Figure 16.7 Number of Planning Applications made in Ilford and Crossrail Corridor



Source: Redbridge Council Planning Records

16.36 There have been a number of major developments proposed in Ilford and the Crossrail Corridor area. These are detailed below, which will bring a combined total of 653 new residential units to the area. This only includes those listed by the council as major developments and so the actual number of new residential units in the areas is likely to be higher.

Table 16.2 Approved Major Developments since the Area Action Plan

Site	Plans	Permission Granted
Valentines House, 51-69, Ilford Hill, Ilford	Change of use of the existing buildings from office (B1) to residential (C3) and commercial (A1-A3) with horizontal and vertical extensions to create 122 residential units and retail floorspace	Sep-15
Development Site Adjacent 39, Ilford Hill, Ilford	Redevelopment of the site to provide 141 residential units comprising of one, two and three bedroom flats	Mar-15

37 GVA Crossrail Property Impact Study, 2012

38 GVA Crossrail Property Impact Study, 2012

Site	Plans	Permission Granted
7, Morland Road, Ilford	Extensions to existing garage to provide 4 storey building comprising 24 flats	Jan-15
40, Ilford Hill, Ilford	Conversion and extension of former Police Station to create a 70 unit 'Aparthotel'	Aug-14
Redbridge College, Little Heath, Chadwell Heath, Romford	Removal of existing temporary college buildings, erection of two new college buildings (performance block and teaching block).	May-14
The Joker, Cameron Road, Seven Kings, Ilford	New 4-6 storey building to provide 95 bedroom hotel	Mar-14
Ilford Yard, Ley Street, Ilford	Demolition of existing GAF training centre. Creation of new GAF training centre and back up control centre	Sep-13
468, High Road, Ilford	New three storey building to provide 3FE (630 Pupils) Primary School	Sep-13
Development Site At The Shannon Centre, Cameron Road, Seven Kings, Ilford	New six storey building to provide 32 flats	Feb-13
The Joker, Cameron Road, Seven Kings, Ilford	Erection of 4/5 storey building with 19 flats and 2 commercial units	Jan-13
193, High Road, Ilford	Refurbishment of existing building (use Class A1, A3 (cafe), A4 (bar), B1(a) and Sui Generis (night club/banqueting hall), and erection of new 8 storey annexe building	Oct-12
226-244, High Road, Ilford,	Redevelopment of site for mixed use development with 101 residential units	Mar-12
Car Park, The Exchange, High Road, Ilford	Erection of a podium development comprising an additional 20 floors providing 214 residential units	N/A

Source: Redbridge Council Planning Records

16.37 Figure 16.8 provides a visual representation of planning applications received and processed in Ilford town centre and along the Crossrail Corridor from 2012 to 2015. This shows considerable activity along the route of the line, with some clustering around stations and a larger number of applications received in Ilford. This is to be expected given the targeted regeneration opportunities at these locations and aligns with the anticipation that Ilford will see the greatest impacts from a development perspective. However, the data does not illustrate an apparent increase in planning application receipt over this period, with the year on year totals remaining largely stagnant to date.

16.38 Within the Borough Council, there is an anecdotal sense that the Crossrail Corridor and Ilford Town Centre planning policies have been well-received and have accelerated market interest in key development sites. It is important to note that the Council has the ability to directly influence planning policy, but is also at the mercy of national statutory changes. Of particular note is Permitted Development and relaxations allowing the change of use from business/commercial to more profitable residential space. Whilst this may be a useful tool when considering stretching house building targets, a balance must be achieved which protects, enhances and enables provision for new flexible commercial units. The number of residential major development granted permissions in Table 1.2 illustrates the extent of activity in the sector of the marketplace.

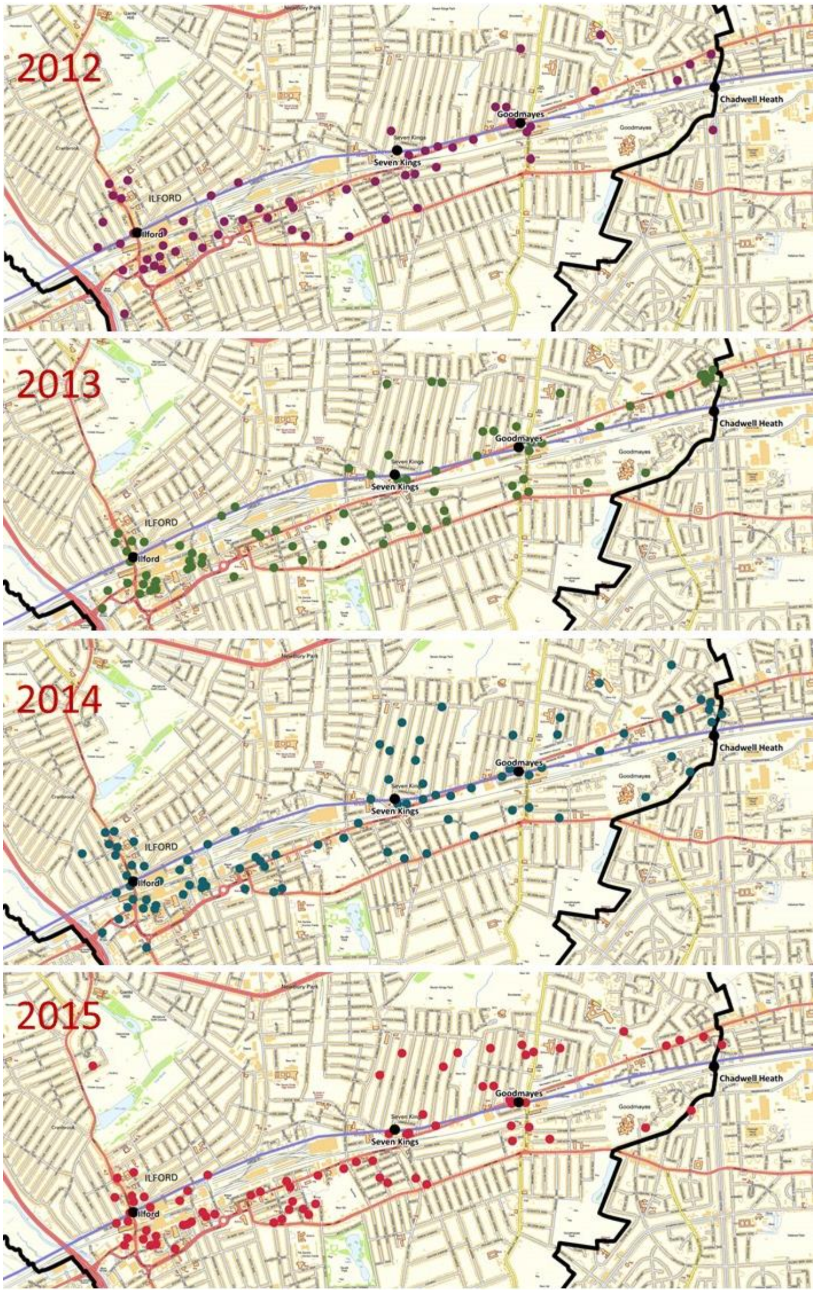
16.39 Research undertaken in 2014[39] suggests that Crossrail is having a significant impact on bringing development forward at station locations, both in terms of housing, commercial/retail space and wider regeneration. Over the period 2008-2013, 41% of submitted planning applications within 1km of stations, cited Crossrail as a key reason for the development proceeding. In addition, the

[39] GVA Crossrail Development Pipeline Study, 2014

research also evidences the fact that Central and East London have received the greatest number of planning applications, within Ilford being a particular centre for activity.

16.40 A consideration perhaps, is that of the nature of construction along the section of the line that punctuates the Borough is limited, with most focus on the creation of bespoke tunnelling and new stations. As such, it is conceivable that the lack of visual clues and signs of Crossrail construction are a limiting factor in stimulating the more immediate regeneration and development which is characterised at other sections of the line, such as Abbey Wood, Canary Wharf and Farringdon. Once more apparent signs of Crossrail, such as Transport for London branding and station redevelopment are complete, then this could act as a secondary trigger for planning activity.

Figure 16.8 Planning Applications by Year in Ilford and Crossrail Corridor



Source: Redbridge Council Planning Records

Note: Points show approximate location of developments based on postcode data

Conclusion and questions for further consideration

16.41 This evidence base provides a mixed picture in terms of the more immediate impacts of Crossrail in Redbridge. Research suggests that regeneration prospects look positive, but there are variations along the line, with the greatest impact anticipated to be centred on Ilford and to a lesser degree, other centres with stations. The extent of benefit realisation may not be as dramatic as at other stations in London, where property values and transactions have been far more dramatic. As such, the Council will need to focus its efforts on accentuating the benefits of Crossrail, both tangible and perceived, whilst considering its role in delivering residential and commercial development. The development of a new Local Plan may be integral to this. It should also be expected that as an active Crossrail service rapidly approaches, commercial activity and market interest will naturally peak.

16.42 The findings of baseline pose some interesting questions that could be explored in more depth as part of the next stage of the development of the economic strategy. These include:

Table 16.3 Baseline questions for further consideration

Topic	Question
Fairness Commission report integration.	How do the regeneration impacts of Crossrail dovetail with the commitments made by the Fairness Commission, with particular respect to skills, job creation and housing?
More immediate awareness of Crossrail construction.	Can more be done to make existing and planned Crossrail activity visible, such that associated regeneration schemes and developments can be accelerated?
Maximising impacts and longer-term benefits at stations other than Ilford.	Can more be done to maximise regeneration opportunities at the other three stations along the line and to understand how outlying areas may benefit most in property price terms?
Longer-term role of planning policy and the Crossrail Corridor Action Plan.	Is the Borough Council monitoring how further planning policy changes to maximise regeneration and development opportunities along the line?

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