Stanmore Village: Economic Study

A Final Report by Hatch Regeneris
9 March 2020

The Apley Estate

Stanmore Village: Economic Study

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1. Introduction

1.1 Hatch Regeneris was commissioned by The Apley Estate to carry out an economic study of Bridgnorth. The purpose of the study is to explore the key challenges (current and future) facing the town and its employers, together with opportunities for growth and future development. There is a particular focus in the report on Stanmore Industrial Estate (recently renamed Stanmore Business Park) which is the main location for higher value manufacturing in the town and crucial employment site for the local area. For consistency the report refers to Stanmore Industrial Estate throughout.

1.2 The Apley Estate and other landowners are seeking the allocation of land at Stanmore in the Shropshire Local Plan, currently identified in the Local Plan Review (Preferred Site Allocations) as a potential location for 850 homes, 16 hectares of employment land, community facilities and green infrastructure. The study also considers the potential contribution that a development of this scale and type could make to the local economy, and to addressing key issues highlighted in this report.

2. Economic Challenges and Opportunities

2.1 The first task for this study is to understand the key economic challenges facing Bridgnorth in its Shropshire context. These relate both to the characteristics of the local economy and how it has changed, including employment and business activity, and to social characteristics including the town's resident population and labour force.

2.2 As far as possible, the analysis in this section is based on a combination of the Bridgnorth Place Plan definition for the town using Office for National Statistics geographic data units (lower layer super-output areas) and including the slightly wider area that covers Stanmore Industrial Estate. where this is relevant. Comparators includes Shropshire as a whole, Telford & Wrekin and Wolverhampton, along with England.

Population

2.3 Bridgnorth's total population stood at 12,420 in Bridgnorth in 2017. Recent population growth in Bridgnorth has been on par with the national and averages for Telford and Wrekin and Wolverhampton, and slightly ahead of that of Shropshire. However, longer-term past growth data shows that Bridgnorth's population increased at a much slower rate than other areas.

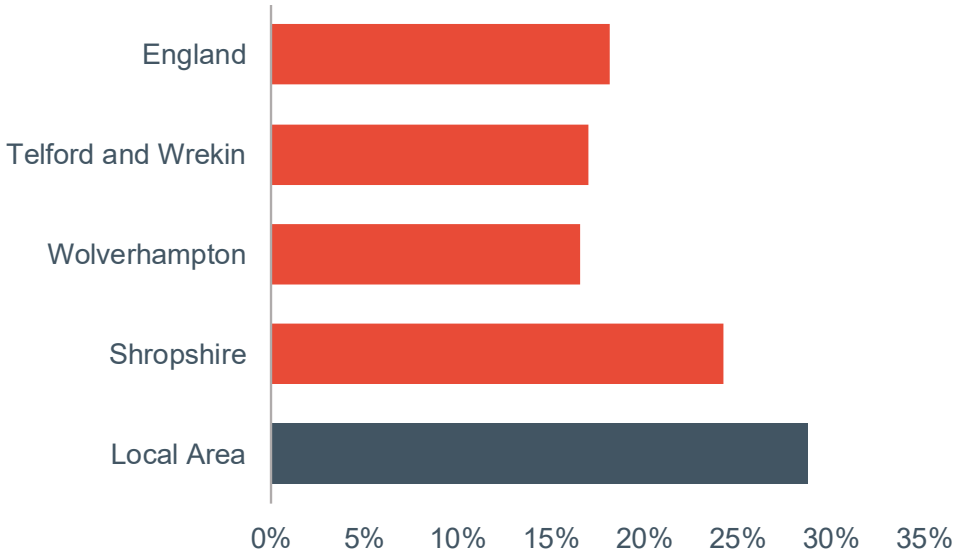
Table 2.1 Past Population Growth

	2001-17	2013-17
Bridgnorth	5.8%	3.2%
Shropshire	12.1%	2.7%
Telford and Wrekin	10.8%	4.2%
Wolverhampton	9.2%	3.3%
England	12.5%	3.3%

Source: Office for National Statistics, Mid Year Population Estimates

2.4 Both Bridgnorth and Shropshire have a population that is markedly older on average than that of England, Telford and Wrekin and Wolverhampton, as Figure 2.1 shows.

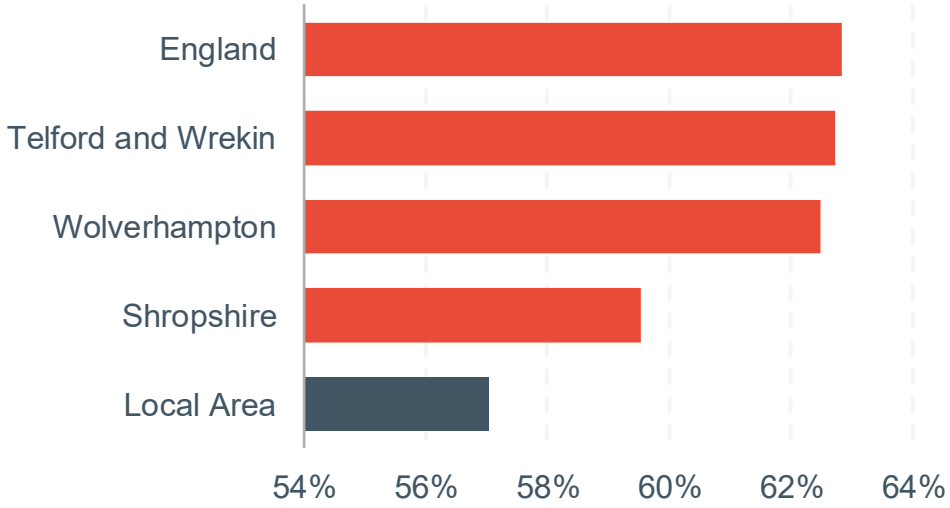
Figure 2.1 Percentage of 65+ year olds in the population, 2017 (Local Area)



Source: Office for National Statistics, Mid Year Population Estimates

2.5 Conversely, the proportion of people between the ages of 16 and 64 is significantly lower at 57% in Bridgnorth compared with other areas. This is regarded as the core of the working age population, and so is an indicator of the relative size of the resident workforce of an area.

Figure 2.2 Percentages of 16-64 Age Group in Population



Source: Office for National Statistics, Mid Year Population Estimates and Census 2001

2.6 Since 2001, Bridgnorth has seen its population aged 16-64 decrease by 8% compared with increases of 6-10% in the comparator areas listed in Table 2.2 below. This is symptomatic of an area experience a marked ageing of its population.

Table 2.2 16-64 Population Change, 2001-17				
	2001	2017	Change 2001-17	% Change
Bridgnorth	7,710	7,084	-626	-8%
Shropshire	177,942	188,989	11,047	6%
Telford and Wrekin	103,549	110,237	6,688	6%
Wolverhampton	148,613	162,405	13,792	9%
England	31,705,826	34,950,948	3,245,122	10%

2.7 Over the shorter period since 2013, Bridgnorth has seen its 16-64 population contract by 137 people (1.9%), but Shropshire has seen a much slower rate of increase (0.4%) than the longer-term rate of growth, and it lags the faster growth rates of Telford and Wrekin, Wolverhampton and the national growth rate.

Table 2.3 16-64 Population Change, 2013-17				
	2013	2017	Change 2013-17	% Change
Bridgnorth	7,221	7,084	-137	-1.9%
Shropshire	188,143	188,989	846	0.4%
Telford and Wrekin	107,819	110,237	2418	2.2%
Wolverhampton	159,320	162,405	3085	1.9%
England	34,351,400	34,950,948	599548	1.7%

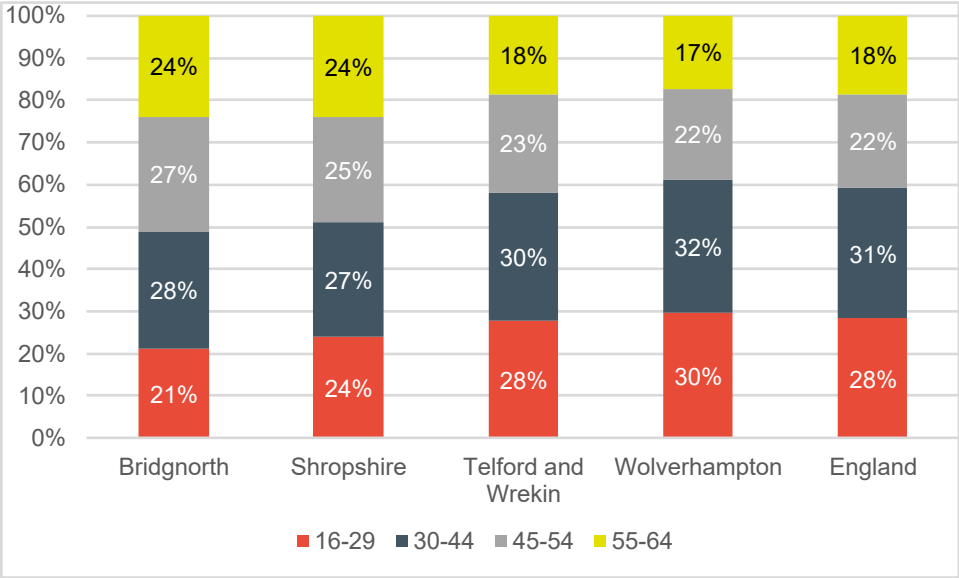
2.8 Bridgnorth has also apparently seen a much sharper fall in the proportion of 16-64 year olds in its population than other areas. In 2001, Census data indicate that the town had a 66% of 16-64 year olds in its population. By 2017, this had fallen to 57%, a reduction of 9 percentage points.

Table 2.4 Change in Proportion of 16-64 Year Olds, 2001-17			
	2001	2017	Change % points
Local Area	66%	57%	-9
Shropshire	63%	60%	-3
Telford and Wrekin	65%	63%	-2
Wolverhampton	62%	62%	0
England	64%	63%	-1

Source: Office for National Statistics, Mid Year Population Estimates and 2001 Census

2.9 Both Bridgnorth and Shropshire have larger cohorts of older people in their 16-64 populations. At 51% and 49%, the proportions of people aged 45-64 compares with figures of 41%, 39% and 40% for Telford and Wrekin, Wolverhampton and England respectively.

Figure 2.3 Age Cohorts in 16-64 Population



Source: Office for National Statistics, Mid Year Population Estimates

2.10 The ageing profile of Bridgnorth's population is also reflected in its older-age dependency ratio. This captures the proportion of people over age 65 relative to the 16-64 age population, essentially, the number of over 65s per 1,000 people aged 16-64. The data shows that Bridgnorth's older age dependency ratio was higher than those of other areas in 2001, and has increased very substantially with the 2017 figure far in excess of the national average and those of Telford and Wrekin and Wolverhampton.

Table 2.5 Older Age Dependency Ratios, 2001 and 2017

	2001	2017
Bridgnorth	289	505
Shropshire	273	402
Telford and Wrekin	183	269
Wolverhampton	251	267
England	228	287

Source: Office for National Statistics, Mid Year Population Estimates and 2001 Census

2.11 The UK Government does not produce population projections for small areas such as Bridgnorth. The most recent data available is drawn from Shropshire Council's Bridgnorth Market Town Profile (Autumn 2017). This shows (p. 7) that the town's population is projected to rise by 1,600 (12%) from 2016 to 2026. This is understood to be based on the potential development of new housing. No data is available on the projected age profile of this population.

2.12 For Shropshire, the picture is more complex. The Shropshire Core Strategy (2011) assumed that the county's population would grow by 40,300 (or 2,015 average a year) from 2006-26, reaching 329,600 by the final year of the plan period (para. 4.4). This was based in part on population projections that pre-dated the 2011 Census, and there have since been several releases of updated projections by the Government, including a number subject to analysis in the Council's evidence on the full, objectively assessed housing need (FOAHN) for Shropshire. These include:

- Projected population growth in a preferred scenario in a 2016 FOAHN study by the Council which assumed population growth of 33,900 from 2016-36 or 1,695 per annum. This is a substantially higher annual increase than that of the period from 2001. This was associated with an annual housing need of 1,259 dwellings a year.[1]
- An October 2017 study by the Council which took account of the Government's proposed new method for calculation housing need. Neither the study nor the proposed method specify what population growth is assumed, but the annual FOAHN is implied as 1,270.[2] The new method is based on 2014-based Government Sub-National Household Projections. These indicate population growth of 1,150 to around 1,200 per annum depending on the start and end point, so lower than that assumed in the earlier study. This is an annual growth rate of around 0.4%. By comparison, the same projections give annual growth rates of 0.3% and 0.5% for Telford and Wrekin and Wolverhampton between 2016 and 2036.
- More recently, the latest Government projections (2016-based) indicate growth of 0.3% per annum or just over 1,000 people a year in Shropshire from 2016-36, so lower than assumed in the 2014-based projections. By contrast, Telford's projection is higher at 0.4%, and Wolverhampton lower than the earlier projection at 0.4% pa. The projection for England points to annual growth of around 0.5% pa, suggesting that Shropshire is projected to see lower growth than the national average.

2.13 It should be noted that both of the most recent Government projections point to a projected fall in the 16-64 population in Shropshire of between 13,000 and 14,000 people from 2016-36. Wolverhampton is projected to see increases of 5,000 and 9,000, whilst Telford is projected to see an increase of around 1,300 in the latest projections, although the 2014-based projections pointed to a fall of around 3,400. Nationally, this age group is projected to increase, but only by around 0.1% per annum.

2.14 In all areas, the projected rise in the numbers of people aged over 65 is very substantial as the past trend continues and accelerates.

Key Challenges and Opportunities: Population

The Bridgnorth data, and to lesser extent Shropshire population data, point to an ageing of the population at a faster rate than other areas. Key socio-economic implications include:

- Contraction or slow growth in the core of the resident workforce (16-64) may contribute to more challenging recruitment for employers, higher wage costs resulting from tighter supply of labour v. demand, more and longer-distance in-commuting.
- Increased reliance on older people in the resident workforce remaining in or returning to work past retirement age.
- An older age dependency ratio that points to an increase in demand for the services required by older people, but a relatively smaller population of younger people available to work in services such as health and social care.

Employment

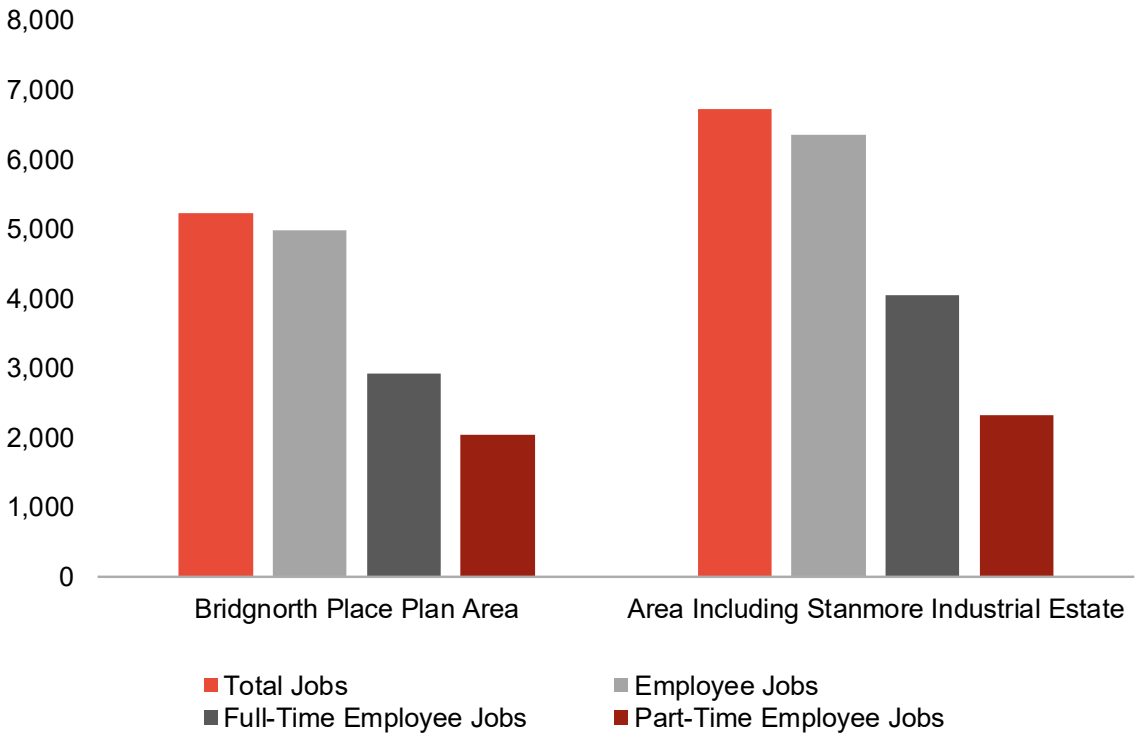
2.15 The latest Government employment data (Business Register and Employment Survey) shows that there were 5,235 total jobs in the Place Plan Bridgnorth area, and 6,735 jobs with the area that includes Stanmore Industrial Estate added to the total. This is a measure

[1] Shropshire Council (July 2016) Full Objectively Assessed Housing Need Report, Table 25

[2] Shropshire Council (October 2017) Full Objectively Assessed Housing Need Supporting Document, Table

that includes some owner-proprietors of businesses, as well as employees of companies and organisations.

Figure 2.4 Current Employment, Bridgnorth, 2017



Source: Office for National Statistics, Business Register and Employment Survey, 2019

2.16 The concentration of advanced manufacturing activities on Stanmore Industrial Estate stands out in the employment data, particularly the metal casting sector and the maintenance and repair of motor vehicles. The sectors listed in Table 2.6 below represent around 46% of total employment in Bridgnorth. Sectors including manufacturing and engineering, wholesale and distribution, professional/business services and health activities account for the remaining 54% of total employment in the town.

Table 2.6 10 Largest Sectors by Employment, 2017		
	Bridgnorth Place Plan Area	Bridgnorth and Rural Area Including Stanmore Industrial Estate
Casting of metals		600
Manufacture of basic precious and other non-ferrous metals	400	400
Retail sale in non-specialised stores	320	320
Restaurants and mobile food service activities	285	285
Beverage serving activities	265	295
Secondary education	250	250
Residential nursing care activities	245	245
Activities auxiliary to financial services, exc. insurance and pension funding	170	170
Primary Education	165	165
Retail sale of other goods in specialized stores	160	165
Maintenance and repair of motor vehicles	150	250
Total	2,410	3,145

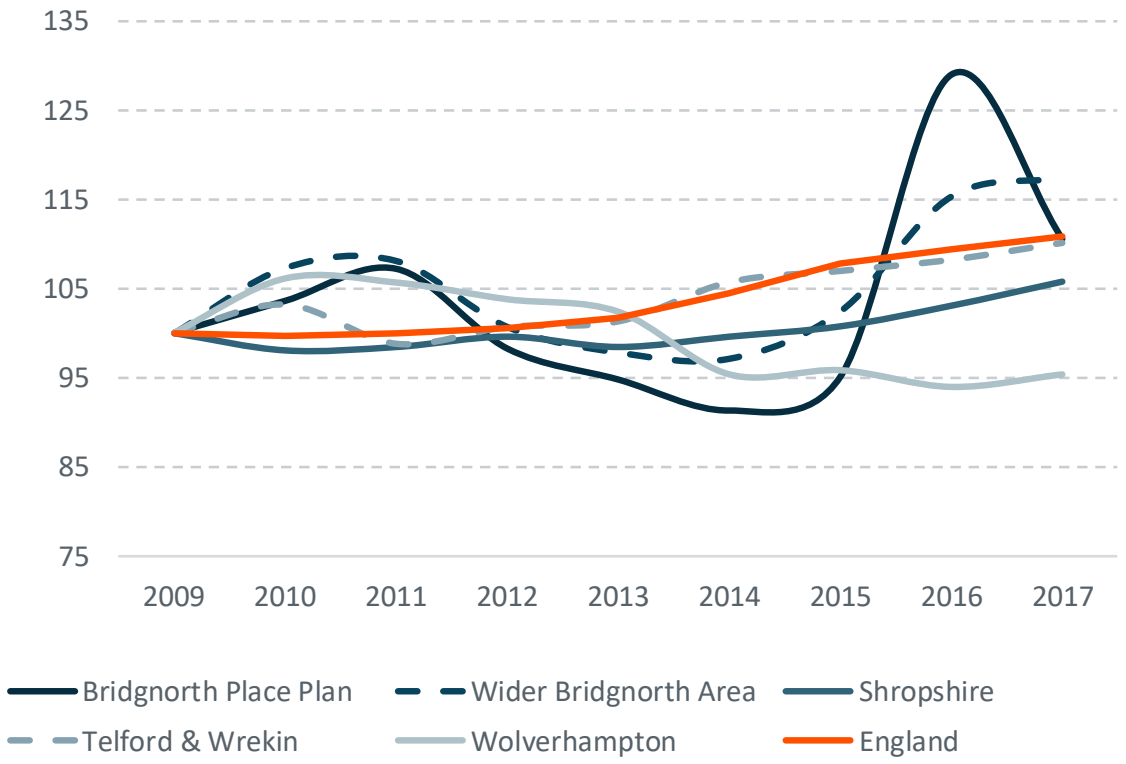
Source: Office for National Statistics, Business Register and Employment Survey, 2019

2.17 The concentration of specialised metals casting activity (600) jobs is underlined when it is set in the context of employment in this sub-sector in the wider area. It accounts for all of Shropshire's employment in this sector, is more than sevenfold higher than jobs in these sectors in Wolverhampton and Telford & Wrekin, and accounts for 13% of the England total in the sub-sector.

2.18 The sector's description perhaps understates the nature of the activity carried out on Stanmore Industrial Estate. Grainger and Worrall, with 700 employees, is the major employer on the site in this sector, and is globally recognised for the development and machining of high specification metals for the motorsport industry, and also the defence and aerospace sector. It is understood to supply Formula 1 teams.

2.19 Changes to the survey methods for capturing employment data mean it is difficult to consistently compare employment change in past periods. Indicatively, indexed employment change from 2009 to 2017 suggests that Bridgnorth and the area including Stanmore Industrial Estate saw employment rise post-recession at a faster rate than the comparator areas, albeit from a lower based in 2013.

Figure 2.5 Indexed Employment Change 2009-17 (2009=100)



Source: Office for National Statistics, Business Register and Employment Survey, Open Access

2.20 The ONS data suggests that the period from 2013-17 saw employment increase by 750 jobs in Bridgnorth and 1,100 across the area including Stanmore Industrial Estate. This represents growth of 17% and 20% respectively, compared with 7% across Shropshire, 9% in Telford and Wrekin, a fall of 9% in Wolverhampton, and 9% in England. Much of this uplift in growth occurred between 2015 and 2017.

2.21 Caution is needed with this data because of discontinuities in the Office for National Statistics survey, and the table below is intended to give a broad indication of the drivers of post-recession increases in employment. These are the sectors where employment has increased (in other sectors, it has fallen). The data point both to the importance of Stanmore Industrial Estate, and to a diverse range of sectors having seen gains, the latter a marker of economic resilience.

Table 2.7 Key Sectors in Employment Change, 2013-17

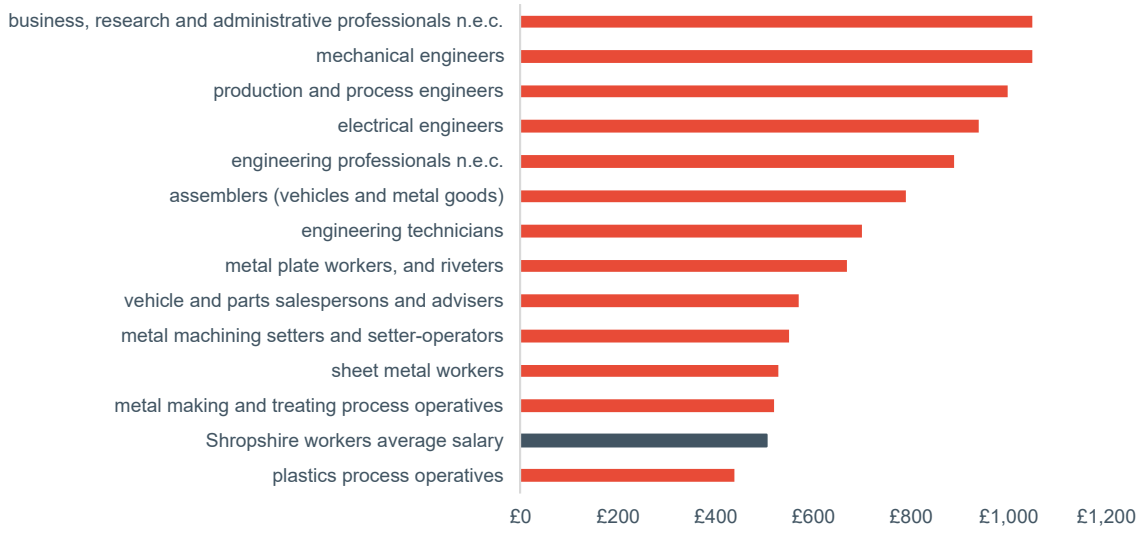
	Place Plan Area	Including Stanmore
Casting of metals	0	250
Activities auxiliary to financial services, except insurance and pension funding	145	145
Maintenance and repair of motor vehicles	50	105
Manufacture of basic precious and other non-ferrous metals	100	100
Social work activities without accommodation for the elderly and disabled	95	95
Veterinary activities	90	90
Beverage serving activities	55	75
Legal activities	70	75
Activities of call centres	70	70
Restaurants and mobile food service activities	85	65
Architectural and engineering activities and related technical consultancy	15	60

Source: Office for National Statistics, Business Register and Employment Survey, Open Access

2.22 The employment data point to a local economy which is reasonably diverse in terms of the range of sectors that contribute jobs. Recent work carried out for Shropshire Council on local economic resilience pointed to the importance of a diverse business base and one which provides good quality employment opportunities amongst the key characteristics of a resilient economy.[3]

2.23 Employment on Stanmore Industrial Estate contributes to the provision of good quality employment in a number of ways. First, salaries data for the West Midlands, shown in below, indicates that the type of employment present on the Industrial Estate is likely to offer higher salaries than the average for Shropshire.

Figure 2.6 Indicative Stanmore Occupations – West Midlands Average Weekly Salaries

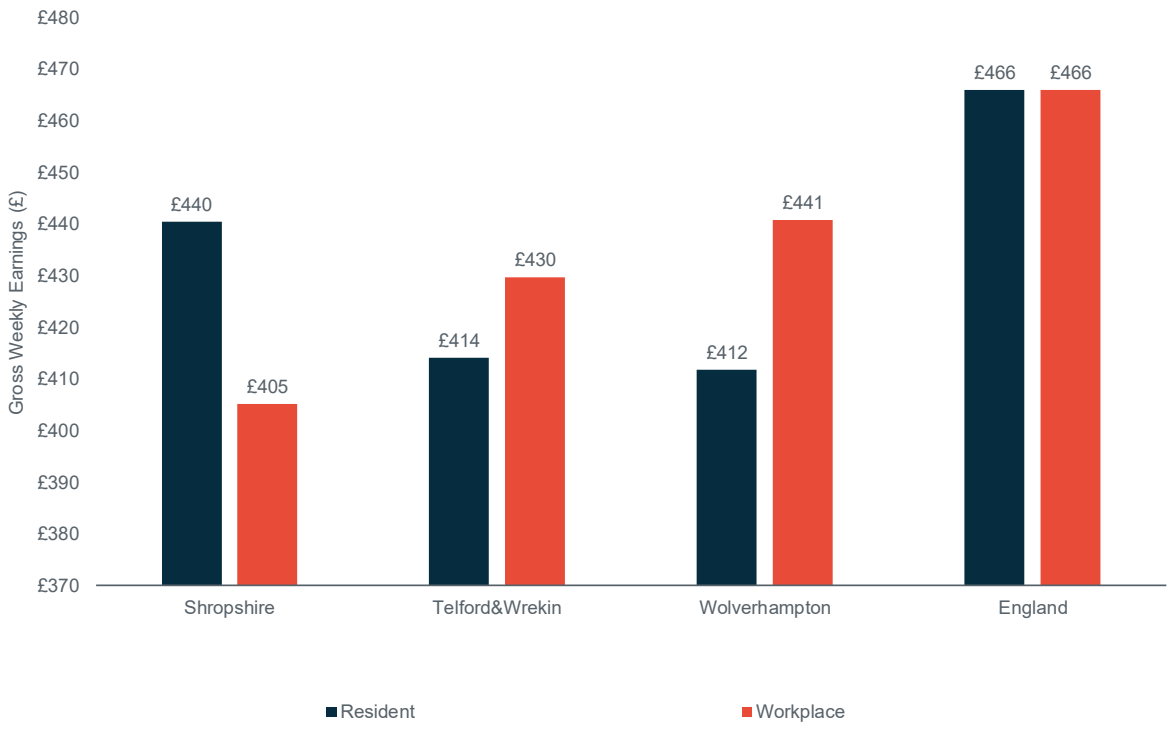


Source: Office for National Statistics, Annual Survey of Hours and Earnings

[3] https://www.shropshire.gov.uk/media/8880/economic-resilience-and-community-anchor-organisations.pdf

2.24 Average earnings levels are not available for Bridgnorth, but Figure 2.7 below shows that the implied weekly earnings of jobs at Stanmore described above are likely to significantly exceed the averages for the county and the comparator areas including England. The large difference between the earnings of Shropshire residents (£440 per week) and those who work in Shropshire (£405 pw) are consistent with an area which is attractive to higher earning people who work outside the county. It also reflects a county in which there is a large presence of comparatively lower paid work in sectors such as agriculture, retail and tourism.

Figure 2.7 Median Gross Weekly Earnings, Resident and Workplace, 2018

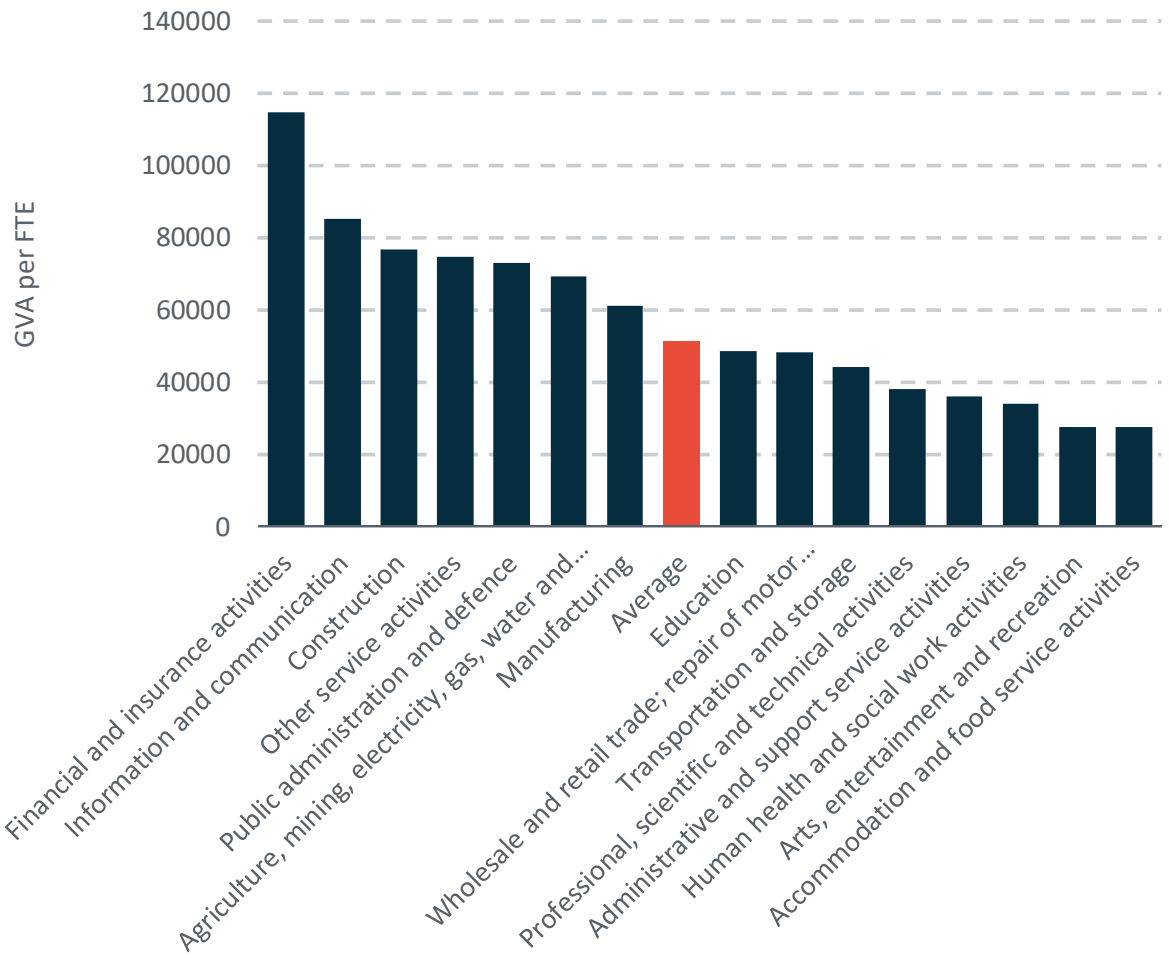


Source: Office for National Statistics, Annual Survey of Hours and Earnings

2.25 A second indicator of the quality of employment revolves around gross value added (GVA). This is a key measure of and is widely used as a marker of productivity: higher GVA per job is typically associated with higher productivity business activity. In turn, the targeting of higher GVA generating business sectors tends to be linked with objectives to increase the wealth generated by an area since it is also connected with higher paid employment.

2.26 Figure 2.8 below shows the broad GVA per full-time equivalent job for the Local Enterprise Partnership (LEP) area in which Shropshire is located (The Marches).

Figure 2.8 Gross Value Added per Full-Time Equivalent Job, 2017



Source: Office for National Statistics, Gross Value Added; Business Register and Employment Survey

2.27 Business level GVA data are not available for individual businesses in Bridgnorth. However, analysis of GVA per job data for the Local Enterprise Partnership (LEP) area in which Shropshire is located (The Marches LEP) suggests that a high proportion of the type of business activity located on Stanmore Industrial Estate is likely to be at the higher end of the spectrum.

Key Challenges and Opportunities: Employment

The key messages from a review of employment and related sectors data show that:

- Bridgnorth has a relatively diverse economy, a key marker of local economic resilience.
- Stanmore Industrial Estate, and the higher value business activity it generates, make an important contribution to this diversity and to the availability of good quality employment in the area.
- Gross Value Added data suggests that sectors prominent on Stanmore Industrial Estate are amongst the higher productivity, higher value adding business base in Shropshire. Increasing productivity is a priority in local and national industrial strategies.
- Bridgnorth has seen recent employment growth at a faster rate than the county, neighbouring areas and the national average.
- Salaries data suggests that Stanmore Industrial Estate contributes significantly to better paid employment in Bridgnorth and Shropshire. This is important in addressing the challenge for Shropshire which sees higher earning residents tend to commute to other locations to work.

Businesses

2.28 Bridgnorth's business base is consistent with that of Shropshire in terms of its size profile. As is the case in many rural areas, micro-businesses dominate with a higher proportion than the averages elsewhere in this category, and relatively smaller proportions of small and medium sized enterprises (up to 250 employees).

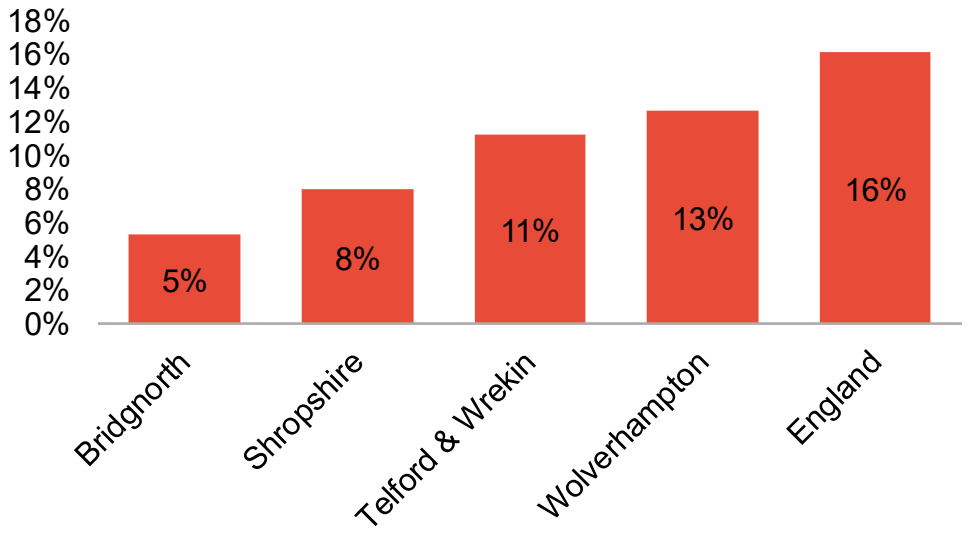
Table 2.8 Percentages of Business by Size, 2018

	Local area	Shropshire	Telford & Wrekin	Wolverhampton	England
% micro (Up to 9 employees)	88%	87%	80%	82%	85%
% small (10-49 employees)	10%	11%	15%	14%	12%
% medium (50-249 employees)	2%	2%	4%	4%	3%
% large (250+ employees)	0%	0%	1%	0%	0%

Source: Office for National Statistics, UK Business Counts

2.29 Business growth over the 5 years since 2014 in Bridgnorth has lagged that of other areas including Shropshire as a whole. The town is a much smaller geographic area than the comparators, and therefore has a smaller 'pool' of potential entrepreneurs who might start-up business in the town. Other factors may include the availability of suitable premises, the size of the local market and the availability of a local workforce. Larger urban areas tend to have a higher propensity to be generating new businesses driven by the volume of entrepreneurs and labour, the provision of start-up premises and support, and the presence of large customer bases.

Figure 2.9 Business Growth 2014-18



Source: Office for National Statistics, UK Business Counts

2.30 The relatively diverse characteristics of Bridgnorth's economy are reflected in its business base. The top 10 sectors are shown below which combined account for around 60% of total enterprises 585 in the town and its immediate surrounding area. It should be noted that this includes businesses with a head office registered in the town, but where employment may be located elsewhere.

Table 2.9 Top 10 Sectors for Enterprises, Bridgnorth, 2018

Sector	Number of Enterprises	% of Total
Retail trade, except of motor vehicles and motorcycles	55	10%
Food and beverage service activities	55	10%
Activities of head offices; management consultancy activities	45	8%
Specialised construction activities	35	6%
Construction of buildings	30	5%
Wholesale trade, except of motor vehicles and motorcycles	25	4%
Computer programming, consultancy and related activities	20	4%
Real estate activities	20	4%
Legal and accounting activities	20	4%
Architectural and engineering activities; technical testing and analysis	10	4%

Source: Office for National Statistics, UK Business Counts, 2019

Key Challenges and Opportunities: Businesses

Analysis of the headline business data for Bridgnorth and Shropshire points to the following key challenges and opportunities:

- Business base in Bridgnorth and Shropshire skewed towards the smallest (micro) businesses, a pattern consistent with rural areas. This is likely to reflect the town's attractiveness to people establishing themselves in business in attractive residential locations (so-called lifestyle businesses).
- Recent business growth rates in Bridgnorth and Shropshire appear to have lagged those of other areas. This may reflect the lack of larger urban markets, a smaller population of potential entrepreneurs, and possibly a relatively smaller supply of infrastructure including workspace and other forms of business premises compared with larger towns and major urban areas.
- A broad mix of businesses in Bridgnorth, underlining the diverse nature of the town's economy, a strength in terms of economic resilience. The highest numbers are concentrated in retail, but higher value professional services are also prominent.

Labour Force

2.31 The characteristics of the resident and commuting labour forces of Bridgnorth and Shropshire are intertwined with the evidence on the population set out above. A key challenge for both areas centres on a population that has an older age profile than other areas, and projections which make clear that this ageing trend will strengthen.

2.32 The latest ONS survey data (Annual Population Survey) show that Shropshire has significantly higher rates of economic activity and employment in the core of the working-age population (16-64) than the comparison areas. Data for Bridgnorth are available, but show very high rates (89%) which are subject to large margins of error because of the sample size, and weight should not be attached to the specific figure.

2.33 The underlying message is that rates of participation by the resident population in the economy are high. This is consistent with evidence in the Bridgnorth from the 2017 Market Town Profile which showed that at the time of the 2011 Census, around 81% of the town's residents were economically active compared with 80% for Shropshire, and that both areas had significantly higher rates than the national average of 77%.

2.34 High participation rates are also markers of a relatively tight labour market. As the area's population has aged, and the economy has generated additional jobs, increases in participation rates would be expected to follow.

Figure 2.10 Economic Activity and Employment Rates, 16-64 year olds, 2018

Source: Office for National Statistics, Annual Population Survey

2.35 Universal credit claimants, a measure of unemployment, shows that in July 2019 165 people over the age of 16 in Bridgnorth were receiving this payment. The figure has jumped from 70 (ie more than doubled) in 2014-15, but this may reflect the way Universal Credit is being rolled out. Of this total, 35 were aged 16-24.

2.36 At the time the most recent comparable population data was available for all areas (2017), rates of Universal Credit claimants stood at 1.2% in Bridgnorth and 1.0% in Shropshire. This compares with 1.8% in Telford and Wrekin, 4.1% in Wolverhampton and Telford, and 1.8% for England.

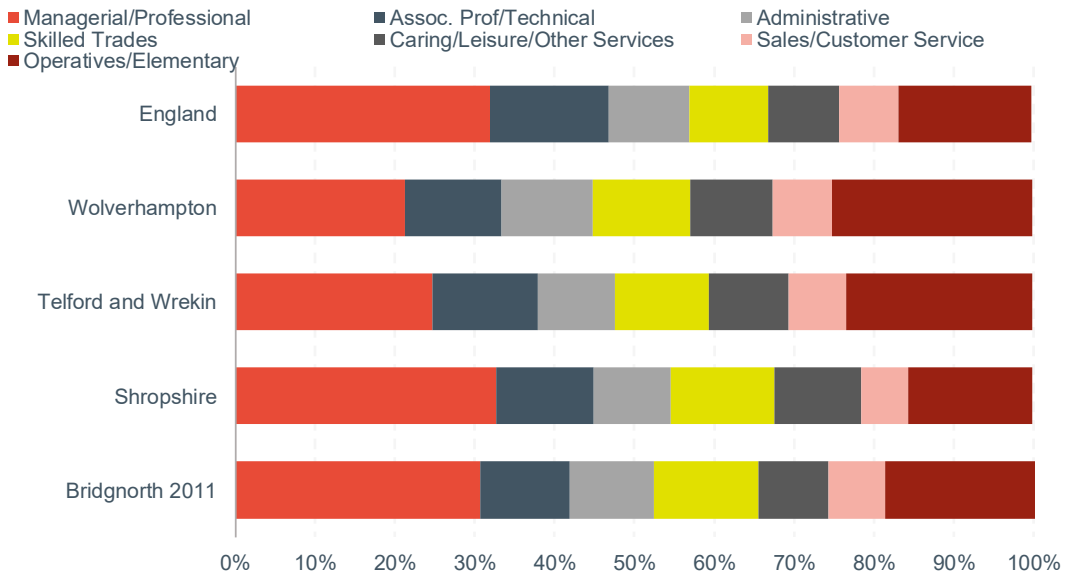
2.37 Alternative measures are given by the Annual Population Survey which shows that 3% of residents aged 16-64 are unemployed in Shropshire, compared with 4% in Telford & Wrekin and England, and 8% in Wolverhampton.

2.38 Both measures of unemployment further underline the extent to which Bridgnorth and Shropshire appear to have a relatively tight labour market. High rates of participation, combined with low unemployment, suggest that there may be little headroom available to employers in terms of the overall size of the local workforce.

2.39 Data for Shropshire shows that it has markedly higher proportions of residents in managerial and professional occupations, associate professional and technical occupations, and in skilled occupations. An up to date occupational profile of residents is not available for Bridgnorth, and 2011 data are used.

2.40 This pattern of occupations is consistent with an attractive residential area which is seeing outflows of higher paid residents to employment in other locations.

Figure 2.11 Resident Occupational Profile, 2018



Source: Office for National Statistics, Annual Population Survey

2.41 These characteristics of Shropshire's resident labour force is also reflected in qualifications data. Figure 2.12 shows that the proportion of residents qualified to NVQ Level 4 or higher (degree level) is just under the national average at 38%, whilst the equivalent figures for Telford & Wrekin and Wolverhampton are markedly lower at 30% and 23% respectively.

Figure 2.12 Qualifications of Resident Population, 2018

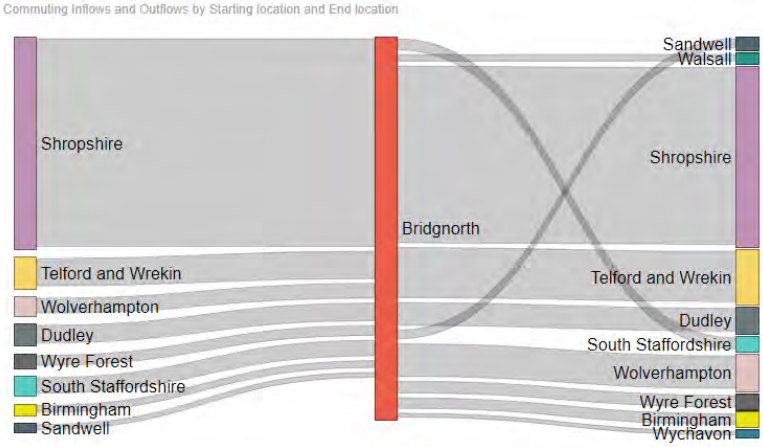
Source: Office for National Statistics, Annual Population Survey

2.42 Accurate data for Bridgnorth is not available for 2018. Census 2011 data suggested that around 31% of the town's population was qualified to degree level or higher in 2011, a figure that was higher than the then national average of 28%. Growth in the number of graduates over the past decade will be reflected in higher proportions of the resident population being qualified to degree level or higher across much of the UK.

2.43 Commuting data point (Census 2011) point to Bridgnorth having a lower rate of self-containment (ie people living and working in the town) than other locations. The data suggest around 39% of the town's residents also worked in Bridgnorth, with 61% working elsewhere, the majority of which (51%) were commuting to locations elsewhere in Shropshire, with Telford and Wrekin and Wolverhampton also key out-commuting destinations. This is shown visually in Figure 2.13 below, with destinations on the right side of the flow diagram.

2.44 Given that a high proportion of the town's residents commuted elsewhere in 2011, in-commuting is therefore an important feature of how the town's employers meet their workforce needs. Around 38% of jobs in the town were taken by Bridgnorth's residents in 2011, implying that 62% were filled by in-commuters. The majority of the town's workforce commuted in from Shropshire, with a reasonably even split between Telford and Wrekin, Wolverhampton, South Staffordshire and Dudley among the other key home locations for the town's workers.

Figure 2.13 Key Commuting Data, 2011



Starting location	End location	Number of people
Shropshire	Bridgnorth	4544
Bridgnorth	Shropshire	3862
Bridgnorth	Telford and Wrekin	1071
Bridgnorth	Wolverhampton	681
Telford and Wrekin	Bridgnorth	567
Bridgnorth	Dudley	467
Barnsley	Bridgnorth	357
Dudley	Bridgnorth	354
South Staffordshire	Bridgnorth	307
Wolverhampton	Bridgnorth	293
Bridgnorth	Wyre Forest	224
Bridgnorth	South Staffordshire	209
Bridgnorth	Birmingham	198
Wyre Forest	Bridgnorth	185
Bridgnorth	Sandwell	161
Birmingham	Bridgnorth	115
Bridgnorth	Walsall	110
Sandwell	Bridgnorth	75
Bridgnorth	Wychavon	51

Source: Office for National Statistics, Census 2011

2.45 The 2011 commuting data on distances travelled to work are consistent with the self-containment figures, showing that 37% of Bridgnorth's workforce commuted less than 5 kilometres (c. 3.1 miles) to work, with a further 13% of the workforce working at home.

2.46 There are notable differences between sectors, with the five sectors below selected for illustrative purposes. In both public administration and the sectors that cover retail and the visitor economy, higher proportions of local residents are likely to have occupied jobs in the town. By contrast, proportions for transport and communications, which includes the ICT sector, were more in line with the local average of 37%.

2.47 There is a particularly marked difference in the manufacturing sector which saw a much higher percentage of its workforce (37%) travel between 6 and 18 miles to work, with only public administration seeing anything approaching the same proportion (30%). Transport/communications and the financial and professional services sectors saw the highest proportions of workers working from home (20 and 21% respectively). This includes people who are effectively self-employed and or running businesses.

Table 2.10 Commuting Distances by Industry, Bridgnorth's Workforce, 2011					
	5km or less	5-10km	10-30km	30+km	Work at Home
All Industries	37%	10%	26%	6%	13%
Manufacturing	36%	12%	37%	6%	6%
Retail, Distribution, Hotels, Restaurants	43%	12%	24%	8%	10%
Transport and Communications	35%	7%	21%	4%	20%
Financial, Real Estate, Professional & Admin Services	31%	9%	25%	6%	21%
Public Administration	40%	10%	30%	7%	8%

Source: Office for National Statistics, 2011 Census

2.48 There is no up-to-date source of commuting data for current commuting patterns in Bridgnorth. Significant changes in commuting activity would not be expected unless there were either major new housing or employment developments in the area. However, increases in house prices and affordability problems (as the analysis below shows) is likely to contribute to fewer rather than more of the town's workforce living locally.

Key Challenges and Opportunities: Labour Force

The labour force data underline key messages arising from the population data, and point to the following main issues and opportunities for Bridgnorth and Shropshire.

- Relatively high economic activity and employment rates, suggesting that Bridgnorth and Shropshire are labour markets with lower levels of surplus capacity than other locations. This is consistent with a rural area that offers high living standards, but which also has an older than average population profile.
- A strong resident skills base, with a higher than average proportion of residents in higher managerial, and skilled occupations, than the comparator locations outside Shropshire.
- Evidence that there are large proportions of residents qualified to degree level or higher than elsewhere. This reinforces the evidence about the occupational profile of residents.
- A low rate of residents who also work in the town (low self-containment). This may point to factors including better employment opportunities available elsewhere so a need to increase the range of employment in the town, and challenges relating to housing affordability meaning workers cannot afford to live in Bridgnorth.

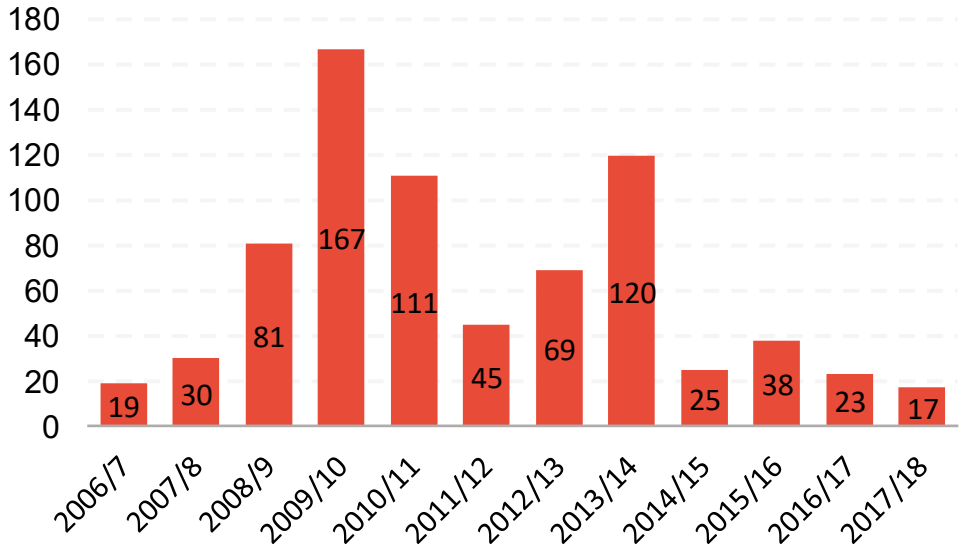
Housing

Housing Stock

2.49 At the time of the 2011 Census, there were around 5,760 dwellings in the Bridgnorth Place Plan area. This area comprises the market town of Bridgnorth and 17 villages in its hinterland identified as the hubs and clusters (ie locations outside the town but in the Place Plan area). Shropshire Council's latest Five Year Housing Land Supply Statement (Table 13) shows completions in the market town of Bridgnorth between 2006 and 2018 totalled

745 or 75 per annum and commitments with planning permission at March 2018 amount to just 52[4]. The annual breakdown of completions is shown in Figure 2.14 below.

Figure 2.14 Bridgnorth town housing completions, 2006-18



Source: Shropshire Council

2.50 Data in Table 14 of the Statement shows that, in the Hubs and Clusters of the Bridgnorth Place Plan area, completions from 2011-18 (ie 7 years) totalled 42 or 6 per annum. The pace of new housing delivery has therefore slowed in the town since 2013-14. Completions in other Place Plan areas have been faster over this period, and recent housing delivery in Bridgnorth is not proportionate to its status as the third largest of Shropshire's market towns.

2.51 Data supplied by Shropshire Council shows that higher completions in several years were driven by specific sites. This included:

- Wenlock Road (Tasely) which we understand was several sites combined delivering 317 homes from 2008/9, led by Persimmon.
- Stourbridge Road (former College site) which delivered 68 units between 2012 and 2014 and which was also led by Persimmon.
- A McCarthy and Stone development (older persons' apartments) which delivered 57 units (net) on the Rutters Garage (Salop St.) site in 2013/14.

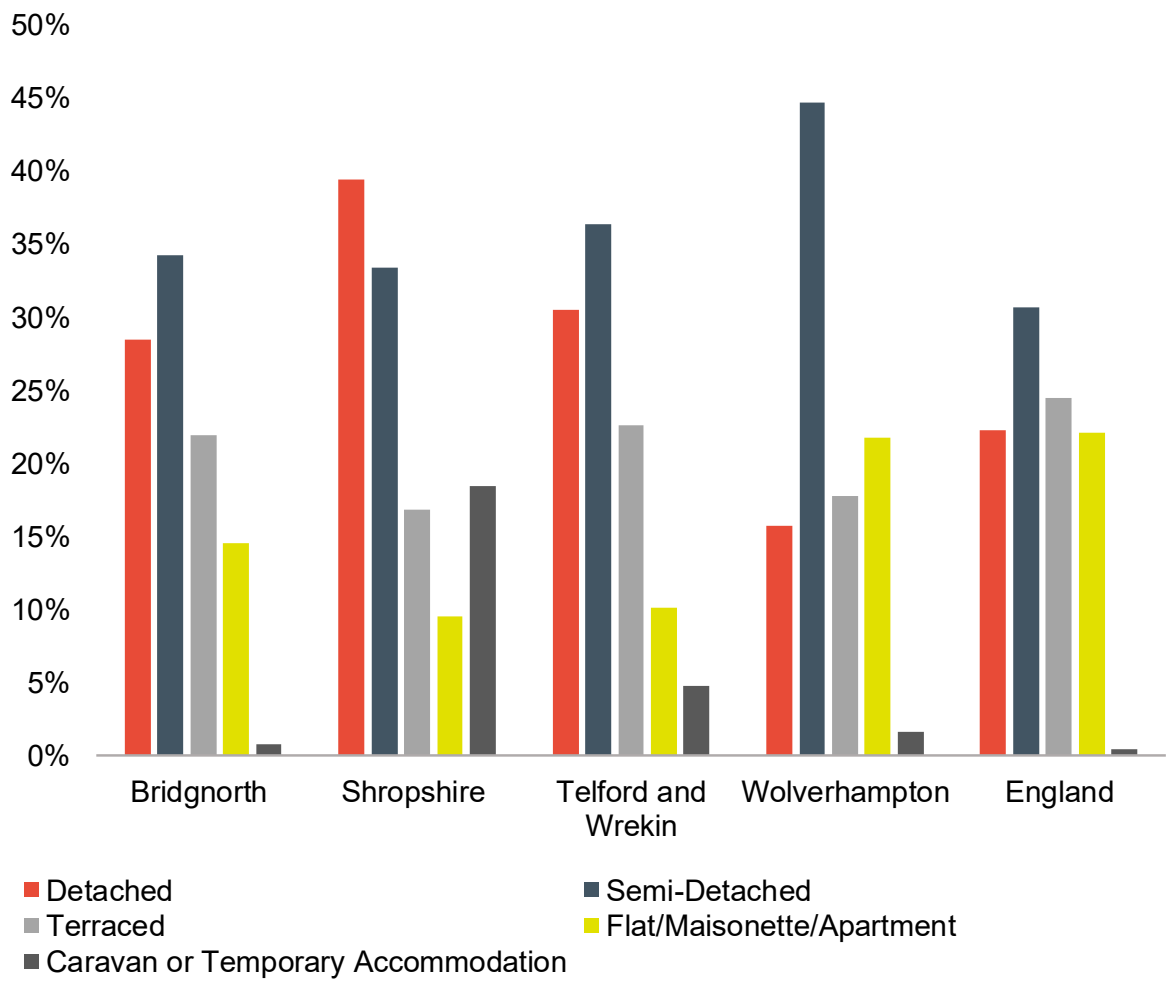
2.52 The data therefore suggests that, when larger sites have been available, developers have responded and annual completions have ranged from 81 to 167, with single years in which 111 and 120 net units were completed. The completions evidence is one marker of demand for housing in Bridgnorth, and it points to the likelihood that there is now latent demand following several recent years in which completions have been significantly lower than the period from 2008-14.

2.53 On the type of housing present in the town, detailed information is not currently available. However, given the number of completions since 2011 (337, around 6% of the housing stock), the characteristics of the housing stock are unlikely to have fundamentally changed. At the time of the 2011 Census, Bridgnorth had a lower proportion of detached dwellings than Shropshire or Telford and Wrekin, but a significantly higher proportion than either

[4] Shropshire Council (2019) Five Year Housing Land Supply Statement, Table 13

Wolverhampton or the England average. It's semi-detached stock was on par with that of Shropshire, whilst its terraced stock was higher than that of all areas other than England.

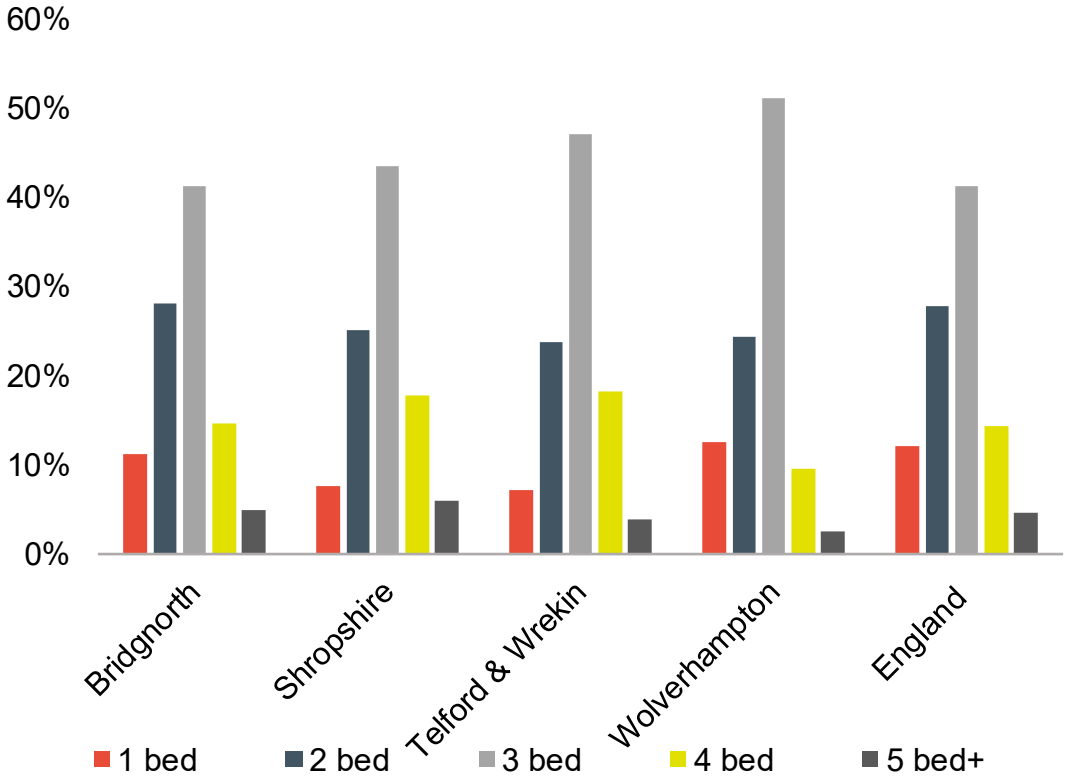
Figure 2.15 Housing by Type, 2011



Source: Office for National Statistics, 2011 Census

2.54 Data on dwellings by the number of bedrooms in the 2011 Census does not suggest anything distinctive about Bridgnorth. It had slightly higher proportions of 1 and 2 bedroom households than Shropshire, a type more likely to be required by younger and smaller households, and possibly by older persons households which tend to be smaller than family households.

Figure 2.16 Proportion of Households by Number of Bedrooms



Source: Office for National Statistics, Census 2011

2.55 Tenure data (2011 Census) shows that Bridgnorth was similar to Shropshire in 2011. Owner occupied households accounted for more than 70% of all households, with social rented and private sector tenures split relatively evenly. In both cases, these are different tenure patterns to comparator areas and England. This pattern is consistent with an attractive rural area which tends to attract higher earners, and where the provision of market housing in the overall stock of housing has offered opportunities for home ownership.

Table 2.11 Tenure of Households, 2011

	Bridgnorth	Shropshire	Telford & Wrekin	Wolverha-mpton	England
Owner Occ. (incl Shared Ownership)	71%	70%	64%	57%	64%
Social Rented	12%	13%	20%	28%	18%
Private Rented	15%	15%	15%	13%	17%
Rent Free	2%	2%	1%	2%	1%

Source: Office for National Statistics, 2011 Census

Affordability

2.56 Shropshire Council regularly assesses housing affordability (market house prices) for its Place Plan areas and Parishes. Data for Bridgnorth based on prices paid (recorded by the Land Registry) indicates that:

- Median average house prices increased from £188,250 in 2016 to £230,000 in 2019, an increase of 22%. This compares to a national average of £230,000 in 2018 and is substantially higher than the average for Shropshire of £200,000 in 2018. This is a further marker of the strength of demand for housing in the town.
- Lower quartile average prices, the indicator of the most affordable part of the market for home ownership, increased from £155,125 in 2016 to £178,000 in 2019. This is higher than the England average of £150,000 and Shropshire at £152,000.

2.57 On both measures, average prices are considerably higher than those of Telford and Wrekin and Wolverhampton.

2.58 Housing affordability has therefore worsened in Bridgnorth. Whilst the rate at which this worsening has occurred is both higher and lower than that of other areas of Shropshire, the underlying point is that home ownership is likely to be absorbing a larger share of income in the town than was the case even three years ago.

2.59 This is illustrated in Shropshire Council's data on household incomes, and what this means for affordability (the affordability ratio. Table 2.12 below shows median gross household incomes and affordability ratios for Bridgnorth and other Place Plan areas in Shropshire. The data shows that the town has seen a jump in its affordability ratio, implying that increases in household income since 2016 have been outstripped by house price increases.

Table 2.12 Median Household Income and Affordability Ratio, 2016 and 2019

	Median Gross Household Income 2016	Affordability Ratio 2016	Median Gross Household Income 2019	Affordability Ratio 2019
Albrighton	£33,850	5.7	£35,477	6.8
Bishop's Castle	£29,590	7.4	£33,107	7.6
Bridgnorth	**£35,022**	**5.4**	**£36,142**	**6.4**
Broseley	£27,984	7.5	£31,273	6.0
Church Stretton	£32,714	7	£36,063	8.1
Cleobury Mortimer	£34,512	5.5	£36,742	6.7
Craven Arms	£30,365	5.2	£33,284	6.9
Ellesmere	£29,518	5.3	£31,600	5.5
Highley	£25,350	6	£28,417	6.2
Ludlow	£26,811	6.8	£30,475	6.9
Market Drayton	£30,432	5.2	£31,786	6.9
Much Wenlock	£35,513	7.9	£33,123	6.6
Oswestry	£28,067	5.3	£37,338	4.4
Shifnal	£30,944	7.5	£32,579	8.5
Shrewsbury	£29,931	6.3	£32,474	6.5
Wem	£31,076	5.3	£33,619	6.8
Whitchurch	£27,109	6.4	£29,116	7.2

Source: Shropshire Council, Bridgnorth Market Town Profile 2016 and Data Supplied 2019

2.60 On the lower quartile, measure, the data shows that Bridgnorth has also seen a worsening of its affordability ratio since 2016, although the increase is more modest. At 8.4, the ratio is far above the level typically considered to be affordable (4.0). It should be noted also that Bridgnorth's status as a town attracting higher earning residents working elsewhere is probably reflected in household income data which put it at the high end of the Place Plan areas.

Table 2.13 Lower Quartile Household Income and Affordability Ratio, 2016 and 2019

	LQ Gross Household Income 2016	Affordability Ratio 2016	LQ Gross Household Income 2019	Affordability Ratio 2019
Albrighton	£18,602	8.1	£20,629	9.5
Bishop's Castle	£16,988	8.4	£19,632	9.2
Bridgnorth	**£19,413**	**8**	**£21,157**	**8.4**
Broseley	£15,339	9.9	£17,775	8.7
Church Stretton	£18,191	9.3	£20,954	9.9
Cleobury Mortimer	£19,630	6.6	£21,902	8.2
Craven Arms	£17,010	7.1	£19,167	8.3
Ellesmere	£16,578	7.6	£18,201	8.0
Highley	£14,540	8.7	£16,521	8.6
Ludlow	£14,899	8.7	£17,465	9.1
Market Drayton	£16,805	7.5	£18,208	8.5
Much Wenlock	£19,755	11.1	£18,854	9.7
Oswestry	£15,662	7.5	£21,855	5.9
Shifnal	£16,783	10.1	£18,411	10.6
Shrewsbury	£16,540	9.1	£18,562	8.6
Wem	£17,406	7.8	£19,484	8.2
Whitchurch	£15,207	8.2	£16,827	8.1

Source: Shropshire Council, Bridgnorth Market Town Profile 2016 and Data Supplied 2019

2.61 By comparison, comparator areas had the following affordability ratios in 2018:

- Shropshire: Median 7.43 and LQ 7.41. This implies that Bridgnorth is less affordable than the county average for those on a lower income (LQ), but more affordable for those on median household incomes. Higher median incomes in Bridgnorth are likely to be the key factor here.
- Telford and Wrekin: 5.98 and 5.88. Bridgnorth's figures are substantially higher, and Telford & Wrekin is likely to be amongst the neighbouring areas where people working in the town choose to live to secure more affordable housing.
- Wolverhampton: 5.63 and 5.86. Wolverhampton offers similarly more affordable housing relative to incomes.
- England: 7.7 and 7.05. Bridgnorth has a median ratio lower than that of England, but its LQ ratio is considerably higher at 8.4.

2.62 Household income data are not available for workers in Bridgnorth. Earnings data presented in Figure 2.7 above shows that workplace gross earnings are significantly lower than resident earnings. The assumption must therefore be that housing in Bridgnorth is less affordable still for the town's workforce.

2.63 Worsening housing affordability is an issue across much of England. It has wide ranging impacts on the economy including:

- Impacts on labour mobility. The choice exercised by people to 'follow the work' is constrained by their ability to afford housing. The most obvious examples are found in key workers in the public sector across London and large parts of the South East, and in agricultural workers (for example, Cumbria) where employers have resorted to temporary accommodation to provide housing.
- Difficulties recruiting. As house prices have continued to rise, this has increasingly affected workers in higher skilled and higher paid occupations. It is understood that some of the students at the Marches Centre of Manufacturing and Technology (Stanmore Industrial Estate) travel into the facility from the Black Country because of high housing costs in the town and surrounding area.
- Lost opportunities to capture the benefits of household spending. With housing costs (mortgages, rents) absorbing a rising share of household income, this imposes constraints on the spending available to be captured in a local area, and the business and employment this supports. With retail and high streets generally under pressure, poor housing affordability contributes to their long term sustainability.
- Barriers to attracting and retaining younger people. Poor housing affordability is also a constraint to younger people seeking entry level housing to buy or rent. With younger households typically on lower than average incomes, this limits their ability both to move to an area and to remain in an area. This is a widely recognised issue for much of Shropshire.

2.64 Nationally, housing delivery rates which have failed to keep pace with need are one amongst several factors behind sustained house price inflation over the past two decades. In attractive locations such as Bridgnorth where evidence suggests that housing demand is strong, low rates of new housing development are unlikely to contribute to the easing of house price inflation.

Affordable Housing Need

2.65 Data supplied by Shropshire Council on the latest housing waiting list for Bridgnorth provide a useful view of affordable housing need in the town, and one which is locally specific in that it includes residents living and working in the town. The key figures are:

- A total waiting list of 195 households seeking affordable housing in the town who currently live in Bridgnorth.
- Of this total, 108 are living in private rented accommodation or with family and friends.
- Of households who identify a current Bridgnorth address, 60 applicants work in the town, 10 in the wider West Midlands, 6 in the rest of Shropshire and 6 in Telford & Wrekin. This suggests that a substantial proportion of Bridgnorth residents seeking affordable housing are in work. A further 31 are retired, pointing to what is likely to become a growing need for housing geared to meeting the needs of an elderly population (for example, sheltered accommodation, extra-care).
- In all, 350 households on the waiting list identify a preference for Bridgnorth, implying that a further 165 live outside the town in rural Shropshire.

2.66 The data underline the challenge that residents and the workforce of Bridgnorth are likely to have in securing affordable housing. A total of 350 households seeking affordable homes in the town equates to around 6% of the town's current housing stock.

Future Housing

2.67 Briefly, the Shropshire Council's Preferred Options identifies a proposed Bridgnorth requirement of 1,500 additional homes from 2016-36, around 5% of Shropshire's total requirement.[5] Taking account of planning consents, prior approvals and site allocations (565 dwellings), there is a residual requirement of 912 dwellings to 2036, or around 9% of the residual requirement for Shropshire. Delivery at this level has the potential to contribute substantially to local affordable needs.

Key Challenges and Opportunities: Housing

Analysis of the evidence on housing and the housing market points to the following key socio-economic challenges and opportunities:

- A Bridgnorth housing stock with characteristics which are certainly consistent with those of the wider Shropshire area, and are skewed more towards owner occupied tenures than the urban areas of Telford & Wrekin and Wolverhampton, and to the national average.
- Past completions which ranged from 80 to 167 in single years between 2008 and 2014 but which have fallen sharply since 2013-14. The completions data suggests that, when larger sites are available, developers are responding to strong demand for homes in Bridgnorth. It also implies that there is likely to be some latent demand as recent completion rates in the period post-2014 have fallen sharply in the town.
- Data on the size of properties (bedrooms) does not immediately point to a substantial difference (and possibly therefore a shortfall) in the types of housing in the stock compared with other areas.
- However, affordability data clearly point to worsening affordability and to challenges for Bridgnorth's workforce in buying homes in the town. Prices have risen substantially even over the period since 2016, and affordability ratios are worsening with a lower quartile affordability ratio now exceeding 8.0. Anecdotal evidence points to examples of young people working or training in the town choosing to live in lower cost locations and commute in to the town.
- Housing waiting list data suggest there are 350 households seeking affordable housing in the town, of which 195 are current residents. A substantial proportion of these households are in work, with at least 60 working in the town itself. This is a further pointer to evidence that people working in the town may be struggling to find affordable homes.

Employment Development

2.68 Analysis of commercial database information on commercial property transactions in Bridgnorth indicates the following pattern over the past few years:

- Very low vacancy rates for industrial property currently, with very little space available. This is lower than Shropshire, Telford & Wrekin and Wolverhampton which the data suggest themselves have vacancy rates of only 2%, and this points to robust demand and a lack of supply in the town currently.
- An office vacancy rate of 4% which is on par with Wolverhampton (where there is limited supply of good quality modern stock available) but lower than Shropshire (6%) and Telford & Wrekin (7%).

[5] Shropshire Council, Shropshire Local Plan Review: Consultation on Preferred Sites November 2018

- Average rental values at £9.41 per sq ft for offices and £4.90 per sq ft for industrial space. These are broad averages, and do not indicate the level of premium rents being achieved, although the highest figure in the data reviewed is £13 per sq ft for offices, and an outlier of £8.70 per sq ft for industrial.
- A very low level of transactions recorded for both office and industrial space over the last 5 years.

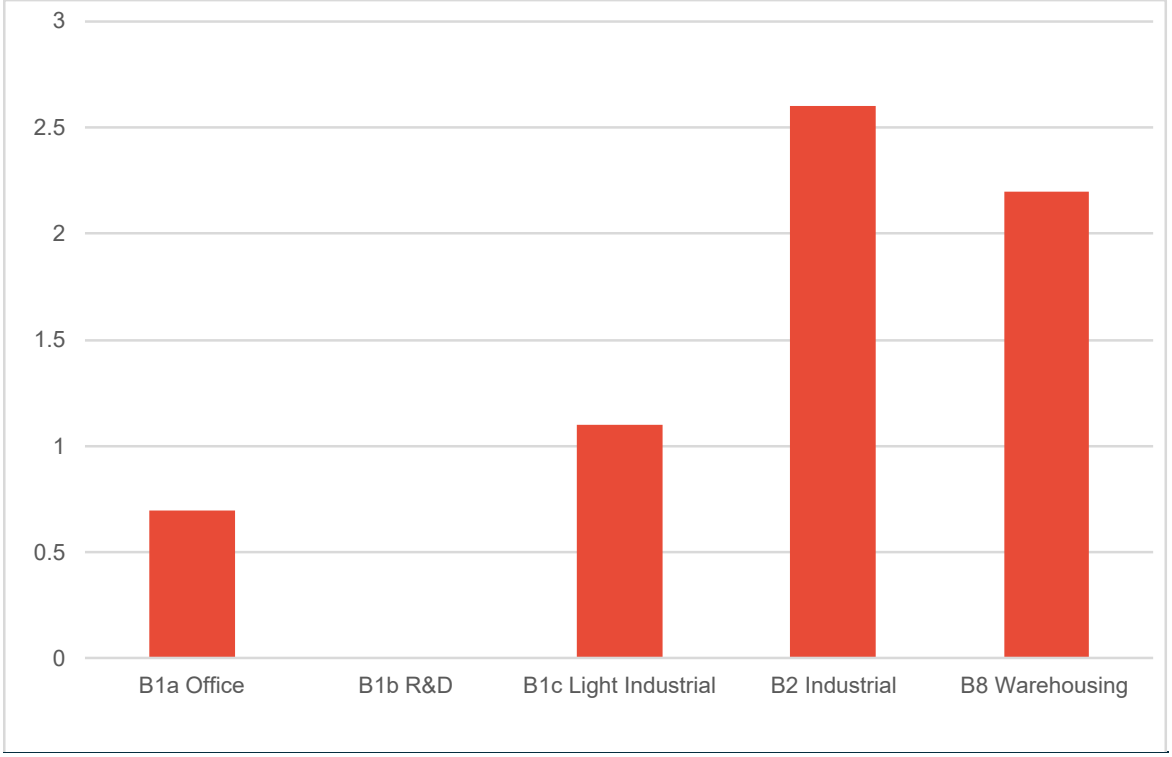
2.69 Employment land completions data from Shropshire Council's most recent Annual Monitoring Report (AMR, 2016-17) show a total of 6.5 hectares of employment land completed between 2007 and 2017, averaging 0.65 years per annum.[6] This is in a total of 108 hectares completed across Shropshire during this period, with completions in Bridgnorth representing 6% of total completions.

2.70 This is broadly consistent with the overall pattern of employment in Shropshire in which Bridgnorth accounted for 5% of total employment in the county in 2017.

2.71 The AMR shows that, over the period since the UK economy emerged from its most recent recession (2013), completions totalled 3.32 in Bridgnorth, a slightly higher average of 0.83 ha per annum than that of the longer-term period.

2.72 Employment land completions since 2006 are concentrated in B2 (larger industrial) and B8 (warehousing) uses, which are typically land hungry use classes. It is important to note that the town has also seen completions of both office (B1a) and light industrial (B1c), both of which are typically associated with higher value service sector and manufacturing activity.

Figure 2.17 B Use Class Completions, 2006-17 (Hectares)



Source: Shropshire Council, Authority's Monitoring Report, March 2018

[6] Shropshire Council, Authority's Monitoring Report 2016-17, March 2018

2.73 Shropshire Council's Local Plan Review: Consultation on Preferred Sites indicates that an additional 16 ha of employment land is the requirement for Bridgnorth from 2016-36 to align with housing growth.[7] With committed land with planning consents or site allocations totalling 12 hectares, a residual requirement of 4 ha remains to 2026.

2.74 However the Preferred Sites Consultation document notes that Bridgnorth's size and potential to attract new employment to achieve a better balance of workers and housing in the town, and to enable existing employers to expand, had been recognised as issues in the examination of the SAMDev Plan (adopted 2015). This has given rise to a recommendation by Shropshire Council that a further 12 ha of employment land should be allocated, giving a revised residual requirement of 16 ha.

Key Challenges and Opportunities: Commercial Development

The following key points emerge from a review of the data on the commercial property market in Bridgnorth and related employment land data:

- Apparently very low levels of vacancy in the town, particularly for industrial property, pointing to robust demand and limited availability of supply.
- Rental price data which does not point to a premium on Bridgnorth as an employment centre, but which are in line with (and for office space higher) than equivalent uses in Shropshire, Telford & Wrekin and Wolverhampton.
- Employment land take-up which is consistent with Bridgnorth's share of Shropshire's economy over the past 12 years. The data confirms that there has been demand for light industrial, larger industrial and warehousing development.
- An emerging requirement figure in the Local Plan Review which indicates that a total of 16 ha of additional land should be earmarked for the town to support future growth and to strengthen Bridgnorth's role as an employment centre, encouraging both the expansion of existing businesses and new inward investment.

[7] 3.73 Shropshire Council's Local Plan Review: Consultation on Preferred Sites

3. Impacts of Stanmore Village

3.1 Shropshire Council's Preferred Sites Consultation sets out (Table 6.21) the potential capacity of land at Stanmore to contribute to future housing and employment growth for Bridgnorth. At the centre of the proposed allocation is the potential for a mixed-use settlement delivering a substantial number of homes, employment land (and floorspace), community facilities and services, and green infrastructure. The capacity of the site for the Plan period is as follows:

- 850 dwellings, with the Consultation document suggesting in broad terms a mix of starter homes, key worker and employee housing geared to meeting local priorities.
- 16 hectares of employment land, referencing its potential to accommodate existing occupiers of Stanmore Industrial Estate, together with start-up and expansion space for local firms, and space for inward investors.
- 5 hectares of space for a local centre to provide facilities and infrastructure for the local area (both residents of the proposed development and surrounding area in Bridgnorth).
- 36 hectares of green infrastructure.

3.2 At this stage, the potential impacts of the proposed development can be assessed in broad terms using the headline figures described above. Each of the key impacts are considered in this section against the socio-economic challenges and opportunities described above.

Population

3.3 The size and characteristics of the population that 850 homes could accommodate will ultimately be determined by the mix of housing that is planned and delivered. There are several ways of assessing the likely size and age profile of the future population:

- Average household size Bridgnorth at Census 2011 (2.2). Using a very simple average household size for Bridgnorth, 850 homes could accommodate 1,870 residents assuming full completion and occupancy.
- Average household size 2.25 Shropshire in latest Government household projections. This gives an estimated total of 1,910 residents.
- The mix of homes is likely to range from small starter homes to larger market housing. Hatch Regeneris's work with residential developers across the country suggests that average household sizes in new developments where a broad range of types are provided can be as high as 2.6. Taking this figure as the top of the range, the population generated would be 2,210 residents.

3.4 The indicative range is therefore a low of 1,870 to a high of 2,210 residents.

3.5 Simply set against the town's current population of 12,420, this range would represent a 15-18% increase, a substantial uplift in a town that has seen much lower population growth than average for the county and other areas since 2001. In this regard, it contributes both to achieving higher rates of population growth in the town compared with the past, and to meeting Shropshire's need to accommodate projected population growth. The potential benefits and implications of population growth are discussed later in this section.

3.6 It should be noted that the emphasis on meeting local need in housing is likely to see the Stanmore Village absorb residents of Bridgnorth and the surrounding area who already live in the area. This would be a beneficial effect of the development in its own right,

contributing to meeting demand for housing from local residents. It implies also that the 1,870-2,210 residents would not all be net additional population to the town.

Working Age Population

3.7 Taking the 16-64 population as the core working age population, the development of 850 homes could generate:

- 1,065 to 1,120 people aged 16-64 based on the current proportion (57%) of 16-64 year olds in Bridgnorth.
- 1,260 to 1,330 people aged 16-64 based on the 60% of 16-64 year olds in Shropshire's population.

3.8 However, Hatch Regeneris's work on new residential developments suggests that new schemes tend to attract younger resident populations, based in part on the lower propensity of older people to move and the tough conditions facing younger people in securing homes to buy or rent (ie higher demand).

3.9 Assuming that 65% of the population were in the 16-64 age cohort, the figure increases to a range from 1,215 to 1,440.

3.10 It is recognised that a growing cohort of older people is likely to remain in work past the age of 64, driven in part by changes in the state pension age (SPA), improving health in older people, and financial factors. In practice, the 'working age' population is likely to be larger than that described above.

3.11 Even allowing for some working age residents to be currently living in the area, this level of growth in the working age population would directly address challenges described in Section 3 of this report, including:

- Addressing recent declines in the working age population in Bridgnorth, and sluggish growth in Shropshire. A 16-64 estimated population of 1,065 to 1,440 would amount to 15-20% of the town's current population of this age, and just under 1% of Shropshire's population this cohort.
- Providing the platform for the future growth of the town's resident workforce, with an inability to retain and attract younger working age people acknowledged to be an important issue for Bridgnorth's economic sustainability.
- Tackling the rising dependency ratio, with an increase in the town's younger population assisting both in generating demand that sustains private and public facilities in the town, and potentially in providing part of the workforce that will support growing demand for health and social care services.

Resident Labour Force

3.12 Economic activity and employment rates tend to be high in new residential developments, driven partly by the age profile of their populations and by the income requirements necessary to buy or rent new homes.

3.13 Taking current rates in Shropshire as a guide (85% economically active, 82% employed in 16-64 population), this would imply that:

- 900-1,220 residents would be economically active.
- 875-1,175 residents would be employed.

3.14 Increases in the resident labour force at this level would also be a substantial increase (15-20%) on the town's current position. It would directly address the challenge identified in the evidence relating to the future availability of labour for the town's employers, and in turn

is likely to support reductions in the volume of in-commuting in the longer-term, assuming additional jobs are created in and around the town. In this regard it would contribute to increasing self-containment and therefore supporting a more sustainable pattern of travel-to-work into and out of Bridgnorth

3.15 The occupational profile of Stanmore Village's residents will be driven by the mix of housing, where residents move from, and their working pattern on moving to the development. However, taking the town's current resident occupational profile as a starting point, this might be the indicative spread of occupations in the 16-64 population.

Table 3.1 Potential Occupational Profile, Stanmore Village Residents

Occupations	Range in 16-64 Year Olds (850 dwellings)	
1. Managers, directors and senior officials	142	192
2. Professional occupations	185	250
3. Associate professional and technical occupations	120	163
4. Administrative and secretarial occupations	112	151
5. Skilled trades occupations	140	189
6. Caring, leisure and other service occupations	93	126
7. Sales and customer service occupations	72	97
8. Process plant and machine operatives	76	103
9. Elementary occupations	126	170

3.16 These are potentially significant contributions to issues facing the town including the need to secure skilled workers for existing employers, the need to support the town's visitor economy which remains a prominent feature of the local economy, and the importance of higher-skilled workers to deliver objectives for the growth of advanced manufacturing and engineering, and other high-value sectors in the town and the wider Shropshire area.

Employment and Commercial Development

3.17 An indicative employment land allocation of 16 ha has been identified for Stanmore Village. At this point in time, the mix of potential uses this would accommodate has not been determined for the masterplan, although it is anticipated that a substantial majority would be expected to be in 'B' class uses (ie office, R&D, light industrial, larger industrial and warehousing). Meeting the expansion needs of employers on Stanmore Industrial Estate is explicitly identified in guidelines with the proposed allocation.

3.18 Without a schedule of employment uses for the 16 ha allocation, it is difficult to estimate the likely volume and type of future employment the site would accommodate. However, two approaches are used here to provide broad estimates.

3.19 **Jobs per hectare:** A simple 'jobs per hectare' assumption can be applied, with Hatch Regeneris having seen a variety of assumptions of this type used in other evidence we have reviewed. At 120 jobs per hectare, a figure used in some studies, total employment would sum to around 1,900 jobs. A lower density (80 per ha) would generate around 1,300 jobs. By comparison, current employment on Stanmore Industrial Estate lies somewhere between these figures.

3.20 **Indicative mix of B class uses:** An alternative approach is to make some broad assumptions about the likely mix of uses the site could accommodate. Evidence on the commercial property market and employment land in Section 3 suggests that there is

strength in the industrial market, and allocations for B1c (light industrial space) along with larger (B2) space would be consistent with sector priorities for Shropshire, Bridgnorth's existing employment base, and the mix of businesses operating on Stanmore Industrial Estate currently. Whilst there is some evidence of the take-up of office space, it is not clear that a major B1a office development (or B1b R&D) would reflect demand and the characteristics of Bridgnorth as an employment location currently. Smaller scale, modern office provision, and start-up/workspace type units are likely to be better suited to the current market and objectives for the future. On B8, any large scale provision of warehousing would be inconsistent with a residential-led development of this type. However, smaller scale storage to meet the needs of employers might be appropriate.

3.21 The table below provides a simple, indicative illustration of the number of full-time equivalent jobs that the configuration of B uses across 56,000 sq m of floorspace outlined below might generate. Employment densities from the latest Homes and Communities Guidance, and industry standard assumptions about gross and net floor areas, together with plot ratios, are applied to give the figures.

Table 3.2 FTE Jobs Based on Basic Indicative B Use Class Mix

	Proportion of Floorspace	FTE jobs
B1a/b	10%	476
B1c	45%	509
B2	30%	467
B8	15%	120
Total		**1,572**

3.22 Despite its small scale, office employment is reasonably substantial since it assumes the highest density in terms of space per FTE job. An assumption that this element of the employment space would be developed for incubator/workspace type uses would reduce the total to around 1,200 jobs, with around 120 in B1a/b uses.

3.23 The two approaches yield a range of jobs figures from a low of 1,200 to a high of 1,900. In addition to this, additional employment would be supported by both the residential and commercial development as follows:

- Multiplier effects, meaning jobs supported elsewhere as a result of supply chain expenditure by businesses on the site, and salary expenditure by the workforce employed there. These effects could support a further 100-200 jobs across Shropshire and areas to the east, with some activity supported in Bridgnorth. Benchmark multipliers from Homes and Communities Guidance are used to estimate this effect, and a conservative assumption is used at this early stage.
- Household spending: How much household expenditure from 850 homes is available for capture by local businesses would depend on the characteristics of households and their populations, including income levels, places of work and a wide range of other factors. Average family spending based on ONS figures stood at around £20,500 in 2018, a figure which covers an extensive range of household goods and services. Applied to 850 homes, this would imply around £17.5 million a year of total spending, of which a portion would be captured by local businesses supporting employment in Bridgnorth and the wider Shropshire area. At a conservative assumption that 10% is retained locally, this would represent expenditure annually of £1.75 million.
- Provision of a local centre. At this stage, the mix of services and facilities that Stanmore Village could provide is not established, but the development of facilities such as small retail and leisure units for local purposes, community facilities, health facilities and schools would serve the twin purposes of delivering valuable social

and community infrastructure and employment. A single form entry primary school (210 pupils), for example, would be expected to have a workforce of around 25-30.

3.24 Provision of employment land on this scale would meet in full the future requirement identified for Bridgnorth in the Local Plan Review's Preferred Options Consultation, and would significantly boost the capacity of the town to accommodate business investment and employment. In effect the figures described above represent a doubling of Stanmore Industrial Estate's current contribution to the town, with the potential to bring additional skilled and well-paid employment. The wider employment that the proposed development could support would further enhance this effect.

3.25 These employment impacts would directly (and potentially significantly) address the challenge that Bridgnorth faces in delivering more and better quality work so that it retains more of its resident workforce currently commuting elsewhere to work.

Businesses

3.26 Alongside employment creation, Stanmore Village is also likely to contribute to business growth in Bridgnorth, addressing what appears to be a rate of business growth that lags that of other areas. With a base of manufacturing, retail, leisure and professional services business present in the town, an influx of new residents is likely to include entrepreneurs who may establish new businesses in the town (for example, simply working as a sole trader from home, or establishing a start-up in the local area).

3.27 At this point, there is no means of estimating the scale of this impact. However, the provision of employment space geared to start-up businesses as part of Stanmore Village would add to Shropshire's infrastructure of this type, and provide encouragement for business formation and new inward investment in the town.

Housing

3.28 The provision of 850 homes in Stanmore Village would deliver a major contribution both to the proposed residual requirement of 912 homes for Bridgnorth to 2036, and to Shropshire's annual housing need.

3.29 No housing mix has yet been proposed as part of the masterplan, although the Preferred Sites Consultation includes guidelines that local needs should be met, including those likely to be generated by young people (starter homes), key workers (likely to include people unable to afford to buy or rent currently) and employees working locally.

3.30 In practice, this points the need for a broad range of housing that would probably include:

- A mix of market homes for outright purchase, possibly shared ownership homes and affordable rented properties and social housing.
- The inclusion of 1 and 2 bedroom homes, possibly including flats, in the mix, since these are types typically sought by younger people and the incomes they have available, as well as to smaller households on lower incomes.
- Family housing (ie 3+ bedrooms), which reflects Bridgnorth's qualities as a residential location, its existing market position, and the need to ensure that local residents have 'grow on' space to enable them to remain in the town.
- Housing geared towards the needs of older people, with potential to configure housing for retired living, extra-care and other forms of specialist housing targeting people in retirement and what will be a growing population of people living independently through their 80s and 90s.

3.31 How the housing mix is ultimately configured will depend on a wide range of factors including demand and need, funding to support the development of specialist housing, site constraints and viability (amongst others). However, with an affordable need currently at 350 households for Bridgnorth, the delivery of a major residential development has the potential to make a significant contribution to addressing this issue.

Fiscal Benefits

3.32 Stanmore Village would generate fiscal benefits to Shropshire Council and other public sector organisations both through residential and employment development. Income retained by the Council from these sources would be available to support further investment in Bridgnorth, and to support the delivery of Council priorities in the town.

New Homes Bonus

3.33 The delivery of 850 homes would generate New Homes Bonus payments from the Government's scheme to reward the delivery of new housing by local authorities. Indicatively, a housing mix which was consistent with Shropshire's current profile of housing by Council Tax band would generate NHB payments of £550,000 in a year, and around £2.2 million over the 4 year reward period.

3.34 This assumes that the 850 homes would be net additional to the area's housing stock.

Community Infrastructure Levy and Section 106

3.35 The development of 850 homes and commercial floorspace would also generate Community Infrastructure Levy payments and Section 106 contributions. Given the scale of development, these are likely to be substantial at a time when Shropshire Council and many local authorities across the country continue to face significant funding constraints.

Business Rates

3.36 New employment development would increase the receipts generated by non-domestic rates (Business Rates), a proportion of which is retained by Shropshire Council and benefits other public sector organisations in the area. The potential collectible business rates yielded by around 56,000 sq m of floorspace is not possible to estimate accurately at this point in time, but a simple average of rateable values taken from a review of Valuation Office Agency (VOA) data gives a local average of around £50-60. This would imply around £2.8-3.4 million of additional collectible business rates per annum.

Summary

3.37 The detailed description of the potential impacts of Stanmore Village, and its contribution to addressing the challenges and opportunities described in Section 3 of the report, are summarised in the table below.

Table 3.3 Impacts and Contribution

Impact	Indicative Scale	Contribution
Population	1,870 – 2,210	• Accommodating projected population growth • Boosting town's population after period of slow growth
Working Age Population	1,065-1,440	• Reversing decline in working age population of the town • Addressing rising dependency ratio • Platform for local workforce growth
Labour Force (Economically Active)	900-1,220	• Significant boost to resident workforce • Would span full range of occupational/skill levels • Addresses issue of in-commuting labour force and difficulties recruiting for employers
Employment	1,200-1,900 jobs	• Significant boost to job numbers in Bridgnorth • Including key target sectors in advanced engineering, knowledge intensive businesses • Key condition for encouraging more local living and working, reversing out-commuting and retaining more of benefits of working residents in the town
Employment Development	16 ha Potentially 56,000 sqm	• Tackles shortage in availability of good quality, modern industrial space • Opportunity to provide space for start-up businesses, workspace targeted at micro-businesses • Enables expansion and retention of existing businesses at Stanmore Industrial Estate and in • Increases attractiveness and choice to inward investors
Housing	850 homes	• Key contribution to future requirement for Bridgnorth (residual of 912 dwellings) • Potential to provide wide range of homes including starter homes, affordable (rent, social housing), older persons living
Fiscal	£2.3 million NHB £2.8-£3.3 million business rates	• Boost to public sector revenue at a time when spending restraints are significant • Potential to reinvest revenues elsewhere in Bridgnorth

4. Conclusions

Challenge and Opportunities for Bridgnorth

4.1 The review of socio-economic data for Bridgnorth and Shropshire highlights a series of linked messages about key challenges and opportunities for the town and its economy, including the contribution that Stanmore Industrial Estate makes to the area:

- Slow growth in the population, a falling working age population and projections suggesting that an ageing trend will accelerate have adverse implications for the economy of Bridgnorth and Shropshire. Some are already becoming evident, including challenges for employers in recruiting and retaining staff locally. Others are likely to materialise in future, including the risk that employers locate (or choose not to invest in Bridgnorth) preferring areas with a larger workforce available.
- Evidence of a well-qualified and diverse local resident workforce in terms of skill levels, reflected in resident wage levels that are somewhat higher than earnings of workers in the town. The potential to retain more of this population, with more jobs and increased better paid work is evident, in turn addressing the low-level of self-containment in the town.
- A business growth rate that has lagged that of other areas, despite a resident population in occupations and at skill levels more likely to be associated with entrepreneurship. A boost to the town's population and employment would contribute to making it more attractive to people considering starting or bringing a business to the town.
- An employment base which is relatively diverse and with strong representation of higher value, higher productivity and better paid employment in sectors including advanced manufacturing and engineering. Stanmore Industrial Estate makes a key contribution in this regard, with a nationally significant occupier in engineering for for the automotive sector. This sector (and others) have demonstrated their potential to grow in recent years, and there is an opportunity to retain and expand this further.
- Clear evidence that housing affordability is a problem in Bridgnorth, and that the situation is worsening, particularly in the lower quartile segment of the market which adversely affects households on lower incomes. This is contributing to barriers to workers living in Bridgnorth, particularly younger people and those on lower incomes who are having to commute into the town, and is therefore becoming a problem for employers in the town to recruit and retain staff.
- Related evidence that the rate at which Bridgnorth has developed new housing (either market or affordable housing) has slowed sharply since in the last few years. In a town with strong demand for housing as an attractive residential area, this is amongst the factors that will be fuelling affordability problems.
- Evidence also of substantial affordable housing need in Bridgnorth, with around 350 local area households currently on the waiting list and seeking homes in the town. This underlines the challenge facing residents with connections to the area, include people working in the town, in accessing affordable housing.
- A commercial property market which suggests that the supply of industrial space has become very limited, and which in the round appears to be performing comparatively well and is on par with surrounding areas.

How Stanmore Village Would Respond

4.2 The indicative impact assessment of the potential allocation of 850 homes, 16 ha of employment land, 5 ha of land for a local centre and 36 ha of green infrastructure on land at Stanmore has the potential to make significant contributions to addressing the challenges and capitalising on the opportunities described above by:

- Accommodating a population of up to 2,210 people, of which up to 1,440 could be of working age, and 1,200 economically active. This would provide a significant boost to the town's population, helping to sustain services and facilities in the town, increase its attractiveness to investors, and provide resilience in terms of the availability of a workforce for the town's employers.
- Providing the employment space which could accommodate up to 1,900 jobs. This would further increase the breadth and quality of jobs in the town, and support the growth of key sectors for Shropshire, including major employers located at Stanmore Industrial Estate and elsewhere in the town. It could be a key factor in addressing the long-standing challenge of enabling the town to retain more of its resident workforce.
- Delivering housing that would make a major contribution to much needed new housing delivery in Shropshire, diversifying the town's housing supply and contributing significantly to affordable housing provision. In turn, this would address one of the barriers to attracting and retaining working people in the town.
- Generating additional resources that the Shropshire Council and its partners could invest in Bridgnorth.

4.3 These are the initial findings, and the impact assessment will be refined as the masterplan for Stanmore Village is developed.

www.hatchregeneris.com
London: +44(0)207 336 6188 Manchester: +44(0)161 234 9910