

Greater Norwich
Development Partnership

**Greater Norwich
Employment Growth
and Sites & Premises
Study**

Executive Summary

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Ove Arup & Partners Ltd
13 Fitzroy Street,
London W1T 4BQ
Tel +44 (0)20 7636 1531 Fax +44 (0)20 775
www.arup.com

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1 Overview

In 2006 the greater Norwich area comprising the local authority districts of Broadland, Norwich and South Norfolk District, was designated as a New Growth Point. Plans for the area within the context of Regional Spatial Strategy include an additional 37,500 new dwellings and 35,000 additional jobs between 2001 and 2021, with further growth of at least 10,000 further dwellings between 2021 and 2026.

Much of this growth will be centred on Norwich, requiring a planned approach over the RSS period and consideration of how employment and population growth can be planned for and managed in a sustainable way. Ensuring appropriate provision of land and premises in line with current and future business needs and which are easily accessible for the existing and new population are therefore key issues to be addressed in the Joint Core Strategy of the three local authorities. In addition, consideration of the economic development and other policy measures that would help deliver overall employment growth targets is also required.

The current project therefore contains two core components which can be summarised as follows:

- An **Employment Growth Study** looking in detail at the growth potential of the Norwich economy at both sectoral and sub-sectoral level through to 2026, and then assessing the implications of this growth for quantity, quality and location of employment site and premises provision. Consideration of the policy interventions to secure this growth and the accompanying 'soft' and 'hard' infrastructure it will require is also reviewed.
- An **Employment Sites and Premises Review** looking at current and future supply of different employment land and premises types and the suitability of provision in the light of likely future employment growth trends in Norwich.

These two components are inter-related and the findings from each part of the overall study need to inform an overall assessment of the relationship of employment demand to employment land and site supply through to 2026, allowing the Joint Core Strategy to make suitable provision and for accompanying planning policy to be developed.

The rest of this document presents a summary of each component of the overall study.

2 Employment Growth Study

This chapter summarises key findings from the project and outlines the main recommendations arising from the research.

- In this chapter key recommendations can be identified as text with bullet points.

2.1 The economic future for greater Norwich

The forecasting work undertaken for this study suggests that the greater Norwich area has a positive economic future, with steady growth in population and employment expected in coming years.

2.1.1 Baseline scenario

Under the baseline scenario, population and economic growth have been forecast without taking into account possible constraints on house-building or infrastructure development. The results project population in the three local authority areas growing by 64,000 extra people between 2001 and 2021, with the creation of more than 44,000 net extra jobs in this period. Such employment growth would significantly exceed the RSS target of 35,000 net additional jobs to be created in the three districts during this period.

Further scenarios have been assessed to examine the consequences of not being able to build as many dwellings as required by the base forecasts, and to examine the implications of significantly worse than expected economic performance.

2.1.2 RSS dwellings scenario

The second of these, the RSS dwellings scenario, has been run on the assumption that RSS dwellings targets are met but no further dwellings can be constructed. Under this scenario a considerable expansion in dwellings, population and employment is still expected compared to the baseline forecast. Population grows by just under 50,000 people between 2001 and 2021, with accompanying creation of just under 40,000 net new jobs during this period. A key point is therefore that the overall RSS target of 35,000 additional jobs between 2001 and 2021 will also be exceeded under this scenario.

2.1.3 Low growth scenario

A third lower growth scenario has been run to examine the consequences of a more pessimistic economic future for greater Norwich. The assumptions underlying this scenario are set out in detail in Section 7.8 in the main report, but include significant job loss in the financial sector, faster than expected rate of decline in manufacturing, lower rates of job creation in public administration, and overall job losses in tradable business services due to decline of other sectors. The assumptions represent the result of local economic shocks, but might be taken as a proxy of a wider and prolonged economic slowdown.

Under this scenario, between 2001 and 2021 the population of greater Norwich would still grow by around 50,000 people, but only 19,000 net additional jobs would be created. A corresponding implication would be that unemployment would rise and/or economic activity rates would fall in the area. It should be pointed out that the results of this scenario are pessimistic and much worse than past trends would suggest are likely to be achieved, especially in Broadland and South Norfolk. For instance, the Annual Business Inquiry has already recorded net creation of 18,000 employee jobs between 2001 and 2005 in greater Norwich as a whole. The implications of the low growth scenario

would therefore be for net job creation between now and 2021 to effectively grind to a halt.

There is a degree of uncertainty associated with any long-term forecasting exercise, and it is possible that results from any of the three scenarios, or some variant of them could materialise. However, our overall expectation, even in the context of current economic uncertainties, is to expect steady levels of population and economic growth which deliver results in terms of job growth that are much closer to the results of the baseline and RSS dwellings scenarios than to the low growth scenario.

This strong growth is driven by wider forecasts of the wider national and regional economies, assisted by high ongoing levels of immigration into the UK. At the greater Norwich level, such growth will place challenges on the planning and development systems. This will require co-ordinated delivery of infrastructure and new housing and co-ordinated efforts to manage the growth programme over time. But it is neither unrealistic nor out of keeping with growth expected in other similar sized areas within the region.

The underlying factors that give credence to this picture include an attractive and relatively uncongested location, desirable standard of living, a proven track record in employment in financial and business services and competitive costs. Growth will however need to be facilitated through the availability of land for employment and dwellings and through improvements to transport to at least keep pace with improvements elsewhere in the UK.

Key results from the three scenarios in terms of population, employment growth and demand for new housing are presented in the table below.

Key scenario results, 2001 – 2021, 000s

	Change 2001 - 2021		
	Employees	Population	Dwellings
Baseline Scenario	44.5	63.5	44.2
RSS Dwellings Scenario	39.7	49.4	37.9
Lower Growth Scenario	18.7	50.1	38.2

2.1.4 Implications for policy

The forecasts have clear implications for the focus of policy. Firstly it is essential that sufficient land for housing and employment in the right locations is provided, that the corresponding infrastructure to enable development is implemented, and that effective management of the growth programme is provided through a co-ordinated and co-operative approach involving both public and private sectors.

Beyond this, the steady employment growth forecast suggests that economic development policy will not have to focus as a priority on achieving volume growth in jobs in order e.g. to address high levels of unemployment and worklessness. Instead, there is a role for intervention to bring the efforts of public and private sectors together in order to create a sustainable and healthy economy overall and to address structural issues identified in a number of recent studies on the local and sub-regional economies. A key focus for policy should therefore be to help create a more balanced labour market by supporting development of jobs and sectors that require a more highly skilled workforce. This will help to address some of the deprivation issues within

greater Norwich and contribute to the emergence of a more pronounced 'knowledge economy'.

2.2 Creating a balanced, healthy and sustainable economy

There is evidence that the labour market in greater Norwich is relatively unbalanced, with an inadequate number of better paid intermediate and higher level jobs. This is also a contributing factor in the relatively high concentrations of deprivation in urban Norwich. These are issues that the employment growth agenda needs to address.

2.2.1 Supporting growth of the knowledge economy

There is evidence that Norwich has yet to fulfil its potential in generating higher value added 'knowledge economy' jobs¹, resulting in a relatively low wage economy. This is notable because of the presence of further and higher education and research institutes, and suggests the need for an increased focus on activity to capitalise on these assets.

Despite high numbers of UEA students remaining in Norwich after graduation and parts of the greater Norwich area having a significant proportion of graduates working in the private sector, anticipated benefits in terms of higher average wages rates have not materialised. Relative workplace wages across greater Norwich have been lower than the regional average in recent years, with median workplace wages in 2007 being around 7-8% lower than the regional average. Though the finance and business services sectors would normally be expected to boost average wages, the area has a considerable number of jobs in lower paid administrative grades and in the retail sector which pull down the overall average wage.

The forecasting work undertaken for this study suggests that employment growth through to 2026 will tend slowly to shift the occupational balance of the economy towards higher and intermediate level jobs. However, on both the baseline and RSS dwellings scenarios, the net effect of change will be to increase the overall proportion of higher and intermediate level jobs by a very small amount, equal to an increase from 51% of total jobs in 2007 to 52% of total jobs in 2026.

This suggests that a key aim for policy should be to try and accelerate this slow shift by promoting employment growth in sectors in greater Norwich characterised by higher skill, better paid jobs. This aim can be achieved by a range of cross-sectoral measures to address over-arching issues affecting business growth and the development, extension and creation of measures in specific sectors to support growth. A new economic development strategy for greater Norwich as a whole will need to focus in particular on the promotion of business development in existing sectors, while facilitating the emergence of new sectors where possible.

The focus on future policy support on specific sectors is discussed in more detail below. However, some preliminary observations can be made here.

¹ The 'knowledge economy' is defined here following the Eurostat definition as those areas of high and medium tech manufacturing comprising activities in 2003 SIC codes 24, 29, 30, 31, 32, 33, 34, 35; Knowledge intensive services in codes 61, 62, 64, 65-67, 70-74, 80, 85, 92; High tech knowledge intensive services 64, 72, 73; Market knowledge intensive services codes 61, 62, 70, 71, 74 and Financial knowledge intensive services codes 65-67. 'Knowledge occupations are defined as Managers and senior officials, Professional occupations, Associate Professional & Technical Occupations.

- Sectors likely to create a larger proportion of intermediate and higher paid jobs include business services (including a range of sub-sectors within the broad categories of creative industries and science-based industries), financial services, construction, advanced engineering, and public sector employment in education and public administration.
- There is also a case for promoting growth of those sectors with a lower proportion of higher and intermediate level jobs, such as in retail or hotels & catering.

However, in these instances policy should aim to support the growth of higher earning job opportunities, for instance, by focusing policy on addressing skills issues to help retailers focus on higher value market segments or to help employees increase their earning potential.

2.2.2 How the employment growth agenda can help address deprivation

Significant concentrations of deprivation continue to exist in Norwich. Addressing this issue will require a broad-based approach in line with wider national-level policy. There is nevertheless scope to address deprivation through the employment growth agenda.

Promoting growth of sectors with a greater proportion of higher and intermediate level jobs will increase the range of opportunities for under-utilised graduates as well as for those with lower levels of skills. Combined with appropriate training initiatives to enable those without appropriate skills to find better-paid work, it also holds the potential to contribute to the reduction of deprivation in the area.

Deprivation also needs to be addressed by ensuring that the spatial distribution of new employment opportunities takes into account their accessibility to deprived sections of the population. Maintaining a balance of employment, housing, leisure with the strong retail offer of the city centre is a clear priority as this is one of the most accessible employment locations for these groups. This is particularly the case if it can be combined with better public transport access across the city.

However, to improve access to opportunities there is a strong case:

- to bring forward constrained brownfield land in the northern city centre such as Anglia Square and to provide greater employment opportunities in the northern half of the city more generally.
- The construction of the Northern Distributor Road also holds out the potential to open up new employment areas and therefore to provide benefits to residents in deprived communities to the north of the city centre.

2.3 Thematic focuses for the forthcoming economic development strategy

The overall economic development strategy for greater Norwich will be prepared in spring and summer of 2008. This section therefore considers the implications from the work undertaken for this study in developing that strategy, focusing in particular on the underpinning themes that can be used to develop it, and the appropriate balance of cross-cutting and sector-specific issues that it will need to address.

Norwich contains a number of existing partnerships and organisations with an influence on or responsibility for economic development. These include the

City, County, Broadland and South Norfolk councils, and the various subsidiary or advisory organisations they work with including Norwich Economic Round Table, Shaping Norfolk's Future and the Greater Norwich Development Partnership.

Where economic development strategies for these bodies exist they contain a similar range of broad aims and objectives which provide the foundation for a greater Norwich economic development strategy going forward. For instance, all strategies embody the aim of achieving thriving, diverse and sustainable economies providing opportunities to all citizens. All also recognise the value of the existing urban and rural environment and the contribution this makes to a high quality of life.

The existing submission by the economic development group within the Greater Norwich Development Partnership proposes four specific focuses for the framing of policy to support job growth in Norwich, including Norwich as a place for business, Norwich as a knowledge city, Norwich as an Eco-City and exemplar of sustainable development, and Building Norwich, requiring a focus on both sustainable construction and the creation of employment opportunities in this sector.

Descriptions such as 'knowledge city', 'Eco-City' etc, are necessarily broad and a range of possible definitions for them are possible. They are likely to be most valuable in terms of describing the city-region's aspirations, and in providing broad themes for the choice of economic development projects. Some further discussion and agreement on definitions between different stakeholders in the economic development process may be valuable to define these further.

The first three of these focuses provide an appropriate foundation for the creation of an economic development strategy for greater Norwich. They correspond to the strengths of the greater Norwich area identified in the consultation with businesses and key stakeholders undertaken for this study. They also provide the stance that the economic development strategy should take to 'position' Norwich in relation to London, the main pole of economic growth in the UK, and to other cities in the Greater South East.

Such positioning requires an appreciation of Norwich's relative strengths and where what it offers as a place to invest, work or live can complement the strengths of other regional urban centres. Norwich has distinctive assets in its attractive urban environment, the quality of life it offers to people who live and work in the city and surrounding area, the natural environment of the Broads and rural areas, and in the national and international reputation in particular of UEA and the institutions at Norwich Research Park.

- Focusing on Norwich's strengths in relation to an attractive environment, knowledge-based industries and strong economic growth prospects is therefore a sensible basis for the strategy.

The remaining focus on construction is appropriate as an important sector for promotion in terms of job growth as well as image for Norwich, and initiatives in relation to construction have a role to play in the economic development strategy for greater Norwich. However, adopting a single sector as a headline focus for an economic development would privilege construction in relation to other areas in a way that would un-balance any overall strategy. We have suggested a way that it might be included as a subsidiary element below.

- In terms of the content of the strategy, we suggest that there are a number of cross-cutting issues affecting the economy as a whole that need to be addressed, along with projects for development of specific sectors.

The key issues are outlined in the remainder of this chapter, and summarise the more detailed discussion in the following chapters. The rest of this section should therefore be read in conjunction with main report in which further detail and supporting argument can be found in the relevant sections.

2.4 Cross-cutting issues

2.4.1 Improving transport links

Improving links and travel times to other UK cities is a key area for improving Norwich's ability to compete and to attract inward investment. The views of the business community identified in the consultation process for this study and in a number of other surveys in recent years strongly support public investment to improve transport infrastructure. Improvements to the A11 and A47 as well as to rail travel times to London and Cambridge would have a significant impact on business competitiveness. There are concerns among the business community that local infrastructure will not bear the increased pressures resulting from growth. For instance, it is feared that additional traffic on the A47 will increase congestion significantly after the opening of East Port.

- Actions to support the improvement of transport infrastructure will need to focus on regional funding allocations and therefore the sub-regional Integrated Development Programme, as well as on the strategic thinking of national agencies.
- Work needs to be undertaken on an ongoing basis to ensure that substantive evidence to support Norwich's case for transport improvements is gathered and that local partners make a collective approach in representations to regional and national bodies.
- The A11 should be a priority for support because of the significant improvement in travel times to London and Cambridge that dualling the remaining section between Thetford and Fiveways will bring.

The recent assessment of economic benefits from dualling this stretch estimates that the £100 million cost required would generate £600 million in wider economic benefits, and provides the case for strong lobbying of central government. Congestion on the A47 should also be monitored as East Port opens in order to provide an evidence base with which to lobby for upgrading.

- Norwich Airport already provides a highly significant asset with the potential to stimulate further economic and employment development in both the urban and surrounding rural areas.

There is a need to bring the main businesses at the airport (i.e. principally Norwich International Airport Ltd, but also FlyBe) into wider partnership discussions, as step change in the number of destinations it is linked to would have significant wider economic impacts. There is potential to develop further routes in particular with the rest of continental Europe.

- There is scope to expand existing co-operation between public agencies promoting economic development and the airport in order to support these efforts, e.g. by accompanying airport executives to industry conventions to help make the case for other airlines to fly to Norwich.

There is also a wider case for looking at joint promotion of Norwich through co-ordination of efforts by the airport and agencies such as Visit Norwich. In discussions for this study the airport also indicated that joint work on mapping the needs of local businesses for new travel routes would be helpful to understand demand and make a better case in attracting new airlines or establishing new routes from the city.

- There is also a need to minimise the extent to which the location of employment growth within the city exacerbates existing problems.

This gives weight, for instance, to improving cross-city public transport links as well as to ensuring that new employment sites are well linked with residential areas and with areas of higher deprivation and worklessness. Development in the northern city centre and around the airport would contribute to achieving this last point, by creating local jobs and reducing longer distance commuting.

2.4.2 Changing perceptions of Norwich

The issue of improving perceptions of Norwich is highlighted in various places in this report, including the general review of business and key stakeholder concerns in Section 4 in the main report and in the reviews of key sectors. This is therefore a key issue cutting across a range of sectors and business issues covering for instance both skills and investment attraction.

There is potential for improvement in this area, given that the city has a number of very attractive features and industrial strengths which are less widely known than they should be. These include for instance both the city's cultural and historical heritage but also strengths in sectors such as finance or life sciences. It is also one of the key areas for co-operation with other regional urban centres through the Regional Cities East initiative.

This is nonetheless a very deep-seated issue which will take time and resources to address, with change occurring over a matter of years. It will also be one of the hardest to achieve because of the scale of change required. This will require contributions from both public and private sectors, and is unlikely to be achieved by one organisation or agency alone.

There are several examples of UK cities devoting considerable resources towards promotional activity and achieving significant returns as a result. Peterborough provides an example within the East of England region, where in the late 1980s the city's Development Corporation spent significant amounts on TV advertising (with the at that time well-known actor Roy Kinnear appearing as a Roman centurion). The subsequent period in the city was associated with strong growth in both population, employment and inward investment.

Similar activity could help to promote greater Norwich. However, the scale of direct public funding for promotion activities will be much more constrained in Norwich than was the case for Peterborough. For instance, at County level, Shaping Norfolk's Future had a marketing budget in the range of £40 - £50,000 in 2007/8 which has meant funded activities have had to be carefully focused. There is also a limit to what can be achieved by direct spending by the City Council.

A key issue is therefore to find ways of influencing the activities of a wide range of public and private sector actors in order to increase the leverage of existing resources to the greatest extent possible. The recent work of Shaping Norfolk's Future in developing a set of key messages about Norwich and Norfolk and providing a publicly-accessible bank of images and facts for use by companies

and other organisations is a valuable project and a good example of how this can be achieved. The point here is not just that promotion requires effective marketing materials (and it should be mentioned that Norwich City Council have also recently produced a promotional materials which have been recognised as a benchmark in good practice). It is also that there is value to be realised in ways that will bring together public and private sector efforts around a common set of messages about Norwich's strengths.

- There are a range of potential actions that might be undertaken to take forward the joint promotion of Norwich by both public and private sectors together. The following list is included to provide a suggestion and stimulus for thought. There may however be other activities that could be added to this list or substituted for items that are considered less workable.
- **Unite the efforts of different agencies.** There is a need to bring the efforts of a number of existing programmes together, including inward investment attraction efforts, tourism promotion, heritage development etc. What is required is a way of undertaking activities that link the work of public and private sectors. In this light, the work already undertaken by Shaping Norfolk's Future and Norwich City Council on common promotional messages should be expanded.
- One option to explore would be **the establishment of common branding** of a broad range of initiatives and programmes, including e.g. the various events held at the Forum and any development programmes promoted by HEART or other agencies. If this is not realistic then the adoption of a limited number of messages about the city should be used. One approach to achieving this would be to establish a promotional working group within the context of GNDP with a remit to focus solely on developing and implementing a more co-ordinated approach across organisations and sectors.
- **Co-ordinate marketing campaigns.** Where possible efforts should be made to co-ordinate messages or timing of campaigns. For instance, Chapelfield currently advertises on ONE trains to attract shoppers to Norwich. There is scope to investigate whether it is possible to encourage Chapelfield and other advertisers such as FlyBe to consider the broad strengths of Norwich, or to contribute to broader city-marketing campaigns that they might also benefit from. Similarly, there needs to be ongoing liaison between different institutions and companies carrying out promotion to help the co-ordination of complementary initiatives.
- **Expand the use of programmes of arts and cultural institutions to raise Norwich's profile.** Tourism in Ghent in Belgium was held up as an example of the successful use of events to attract visitors. The Norfolk & Norwich Festival is already doing this, but could be linked to a wider programme of events to attract attention. Some of these events may well happen anyway – the point is not necessarily to add more events but to link what does happen to reinforce the message of vibrancy and activity.
- **Use the Growth Agenda to promote a wider message about Norwich.** The growth plans for Norwich mark the start of an important expansion of the city which should be used to catch the attention of the wider world. There are different ways of doing this.
- **One possibility would be to reflect the growth agenda in the names of agencies.** For instance, Shaping Norfolk's Future and Greater Norwich

Development Partnership both have a role in promoting the future development in Norwich. The names of these organisations make sense in explaining what they do from the point of view of people in Norwich or Norfolk. Given the importance to economic development efforts of changing the image of Norwich for people outside the area (entrepreneurs, investors, re-locating professionals), consideration should be given to the potential to use organisation names to communicate to outsiders that there is more to Norwich than perceptions suggest. Renaming GNDP as “Growing Norwich” might be suggested, if only for the purposes of illustration.

- **Another is to promote the expansion of Norwich as an exemplar of environmental sustainability**, as suggested in the GNDP Economic Development Group’s proposal to promote Norwich as an Eco City. This would build on the city’s real strengths in terms of quality of life and publicity from internationally renowned initiatives in the area of sustainable development such as the Tyndall Centre for Climate Change at UEA. Further demonstration construction projects that mark Norwich out would also help with this, as would eco-friendly tourism facilities.
- **Make the most of opportunities from regional co-operation.** In addition to marshalling the efforts of both public and private sectors in greater Norwich there is further scope to achieve leverage through co-operation with other major urban centres in the region as outlined by the Regional Cities East partnership (RCE). Planned RCE work includes joint marketing and promotion work, including co-ordinated marketing materials, promotional activities such as a shared presence at key events and exhibitions and shared learning among partners.

Changing perceptions of a city: International Turin

The case of Torino Internazionale (International Turin), provides an example of how a range of disparate urban development programmes (including education and training, transport infrastructure improvements, urban regeneration schemes, tourism promotion initiatives etc.) were brought together within a common framework over a number of years to change external perceptions. The campaign aimed to explain to the world that a city with a grey industrial image associated with the declining car industry had much more to offer than many outsiders realised. The circumstances for Turin are different to those of Norwich but what is worth learning from is the way a broad range of initiatives were brought within an overall partnership and promotional scheme to tell a common story about how the city was changing.

(Further details in English can be found at www.torino-internazionale.org/Page/t13/view_html?idp=2448)

2.4.3 Education, skills and innovation

Institutions of higher and further education in Norwich have an important role to play in the overall growth agenda. In particular, they have the potential to support the growth of higher skill, higher value added economic activities and to promote the city as a location for knowledge, innovation and environmental sustainability.

These institutions already play an important role in a number of areas, providing an educated workforce, through their participation in a number of existing sector development initiatives, and because of their spending which

generates demand for a range of goods and services. However, the impact of HE and FE institutions could be further developed in a number of areas.

Norwich has an ongoing economic imperative to build a high calibre workforce and maximise the benefits from the large number of students who study in the city in a range of disciplines. There are many positive examples where useful work is currently being done to link education and training with sectoral initiatives. These include, for instance, involvement of Norwich College of Art & Design with wider creative industries initiatives and EPIC, the role of City College in developing the Financial Services Academy proposal, or links between UEA and the emerging environmental and life sciences sector at Norwich Research Park, or with the construction industry developed through programmes like CRed and Construction Excellence.

- It is recommended that these initiatives are sustained and built on over time through co-operation between industry and the education institutions.

In addition, there are further areas where new initiatives might be developed.

- This could include working to develop further competencies in areas of environmental engineering, or possibly in creating a local retail academy.

Recent experience suggests the way to take this forward is to work through specific sectoral promotion groupings or initiatives working closely with the relevant parts of the city's education institutions and the Learning & Skills Council.

- There is also a need to ensure that the potential from Norwich's higher education institutions is realised and that the potential spin-out from academia into commercial activities is realised.

Greater Norwich currently has three innovation centre initiatives to promote new business growth through linkages with higher education, including the Norwich Bio Incubator, the Hethel Engineering Centre, and the East of England Production Innovation Centre. In addition, further 'soft' initiatives at NRP include Plant Biosciences Limited and UEA's Research and Business Services division.

These initiatives provide a strong foundation for promoting innovation, and there are indications that the institutions established to promote these activities are beginning to achieve results. For instance, the Norwich Bio Incubator is now full and several companies located there require expansion space. There will however be an ongoing need to ensure that various initiatives to support commercial spin-out are fulfilling their potential, which will require periodic evaluation and learning from best practice at national and international level.

- There is further scope to develop Norwich's potential to promote innovation in areas not covered by existing initiatives.

New projects, such as the proposed Environmental Sciences Innovation Centre at UEA should be supported to capitalise on existing strengths at the university. This particular project ties closely in with the county-level economic strategy and with Regional Cities East plans to promote low environmental impact technological innovation and business development. There is also a need to ensure that accompanying property initiatives are delivered, such as expansion of Norwich Research Park, which is a priority area for attention.

- It is also suggested that further work be undertaken to develop support in key target sub-sectors not covered by existing work.

For instance, some areas of the creative industries, such as digital media, design, advertising or marketing would benefit from support to help students start and develop businesses and therefore to retain their skills in the area. Projects to link Norwich School of Art & Design's with the new LEGI-funded Norwich Enterprise Centre have been suggested as an example of this. Similarly, further work could be undertaken to promote sustainable construction techniques to go beyond the initial work already undertaken through the Construction Excellence programme and the efforts of UEA's CRed programme in this area.

2.4.4 Aligning efforts to attract inward investment with key sector growth opportunities

Our forecasts suggest strong growth in line with previous economic trends. It is notable that in recent years inward investment has not made a strong contribution to job creation. Norwich has not been a major UK location for in-moving firms from elsewhere in the country or abroad, with the possible exception of the retail sector.

- It is important therefore that a key focus of policy is to sustain growth in existing and new indigenous businesses, building on the potential for commercialisation of knowledge in the city and assisting business start-up and growth.

Nonetheless, in addition to these efforts there is also scope to attract inward investment through targeted and focused efforts that align with the areas chosen for focus in the forthcoming economic development strategy for greater Norwich. If successful, this would also strengthen key sectors in which indigenous business growth is expected.

Existing initiatives to attract investment include the work of economic development departments at city, districts and council level. Specific initiatives include the Invest in Norfolk website, the marketing materials prepared by Norwich City Council and its ambassadors initiative, and the new Evolutive county-wide database for managing investors' land and property enquiries.

There are however particular niche opportunities where specific plans could be developed in co-ordination with East of England International and UK Trade & Investment. Specific opportunities described in more detail in the relevant sections of this report include:

- Re-location of major operations by international financial services firms (e.g. those looking to relocate some functions from London).
- Attracting a multi-national company research facility to locate at Norwich Research Park.
- Attracting operations of central government departments moving out of London in line with the Lyons Review recommendations.
- Attracting aircraft maintenance activities to Norwich Airport, in particular from major UK airports e.g. Heathrow at which there is competition for the space they currently use.
- Attraction of creative industries businesses on the basis of the strengths that Norwich can provide in particular areas.

This should be undertaken as a medium-term exercise, with work to identify potential target organisations on a national and international scale, assess their specific requirements and develop a particular pitch based on Norwich's

strengths. In specific cases the potential to implement supporting projects should be undertaken to increase the attractions of Norwich. For instance, there is potential to work with UEA and NNUH to align future research programmes with the interests of major potential investors, as described in more detail in Section 10 in the main report.

2.4.5 Provision of employment land and premises

There is a need to ensure appropriate provision of employment land and premises. Bringing forward key employment sites, protecting them from residential development and adopting a flexible approach in managing land supply are key issues which are addressed in detail in the separate Sites & Premises report which accompanies this study.

Within Norwich, there have been shortfalls in the range and variety of industrial land and premises and these need to be addressed:

- Smaller firms have expressed problems with finding appropriate premises, particularly manufacturing businesses. There is also some evidence of limited opportunities for owner-occupation.
- There is a need to retain a range of industrial estates and other employment sites within Norwich for business use and to protect them against pressures towards conversion to residential use.
- There is a corresponding need to ensure that the economic vitality of rural areas and market towns is supported through suitable provision of employment land.
- Norwich, like several other cities needs to address the tension of developing office space within the city and on the city fringes (such as further development of the Broadland Business Park), which may lead to a loss of employment within the city itself.
- There is therefore a need to retain different types of employment in and around the city centre as part of the overall attraction of the city, and counter-act trends towards 'hollowing out' of the city with employment moving to the urban fringe.

The issue of location of new sites for employment is discussed in detail in the accompanying Sites & Premises study. It is notable however that there are a number of areas where the location of development can contribute to achievement of goals in relation to both sustainability and social deprivation. These include, for instance, provision of land for expansion at Norwich Airport and redevelopment of key sites e.g. in the northern city centre, Longwater and others such as the Deal Ground site at Trowse.

2.4.6 Specific initiatives for rural areas

Growth in employment outside the Norwich urban area will provide the potential to compensate for decline of employment in specific sectors such as agriculture or Broads-tourism, and to create better paid jobs. There are job creation opportunities in the rural areas which hold out the potential to maintain thriving small town and rural communities as well as to reduce commuting and therefore to contribute to sustainability objectives.

Key areas for action include:

- ensuring that the basis for undertaking existing business activities remains in place, in particular, provision of appropriate land and property. This includes making available sufficient employment land at existing industrial

estates in each of the market towns, as well as for conversion of agricultural buildings for expanding niches of economic activity as described in Section 5 in the main report.

At the same time, the construction of new infrastructure will create the potential for further development of micro-businesses that characterise much of the market town and rural economy. For example, the Northern Distributor Road will help to improve access to the city from areas to the north of the city and improve the attractiveness of the area as a business location. Business opportunities in rural areas as a whole will also be improved by fast broadband internet access.

- There is therefore scope to take advantage of the opportunities opened up by this new infrastructure by continuing and expanding existing business support provision, including start-up grants and training.
- There is further need to ensure that employment growth initiatives centred on Norwich are tied in with rural counterparts, for instance, linking rural and city tourism through ongoing destination management activities or in relation to creative industries initiatives.

It is unlikely that major employers will be attracted to rural areas. However, at Hethel in particular the potential does exist to create the conditions for the emergence of a significant cluster of SMEs which collectively will add up to the impact of a medium or large-scale inward investor.

- Building on the success of the Hethel Engineering Centre initiative with a linked Technology Park has been proposed by some members of the Greater Norwich Development Partnership, and this project should be implemented.

There is currently no allocation of land at Hethel in the Local Plan to house such a Park. However, it is feasible that the expansion space could be provided nearby to the Centre but not necessarily co-located with it.

2.5 Sectoral initiatives

2.5.1 Prioritising sectors for support

Chapters 9 to 19 of the main report review a range of sectors in the greater Norwich economy and identify a number of areas in which employment growth in those sectors could be supported. While support projects across a range of sectors could in theory be implemented, there is in practice a need for focus and priority setting.

The table below suggests a method for deciding which sectors overall should be prioritised, and which of the main interventions discussed in this report should be implemented first. It takes into account a number of issues including employment trends as identified in the baseline forecast, the proportion of 'knowledge jobs' in each sector, the likely scale of resource inputs and timescale for delivery.

The results from this approach are illustrated in the two right-hand columns, which suggest prioritisation for overall sectors on a scale of 1 to 3 (with 1 being the highest priority) and for individual interventions.

On this basis it is suggested that science-based industries, creative industries, tourism, construction and advanced engineering are the main priority areas for support. It is important to note that there is still scope to include specific

interventions to support other sectors e.g. in relation to financial services or the food sector.

The matrix is included here as a suggested approach to prioritisation and as a stimulus for discussion. Other interventions might be included in the course of creating the economic development strategy for greater Norwich, and the overall focus on specific sectors might need to be adjusted after further consideration.

Suggested matrix for prioritising sectoral interventions

	Job growth trend 07-26 as per OE Baseline Forecast	Proportion of knowledge economy jobs	Examples of interventions to support growth	Resource inputs for suggested support	Timescale for delivery	Suggested Priority for intervention	Overall sectoral priority
Financial services	None	53%	Retain existing firms; support ongoing growth of mid size firms	Medium	Ongoing	1	1
			Attract high value added relocations	Medium	Ongoing	1	
Retail	Strong	27%	Intensified support for skills development e.g. retail academy	High	2007 - 2012	2	2
			Development of the independent shopping offer	Low	2007 - 2012	2	
Science-based industries	Weak	53%	Expand NRP	High	2007 - 2012	1	1
			Establish new innovation centres and facilitate knowledge transfer	High	2007 - 2012	1	
			Attract high value added private sector research facility	Low	Ongoing	2	
Business services	Strong	53%	Develop professional services initiative including e.g. 'Package for Professionals' etc.	Medium	2007 - 2012	2	2
Creative industries	Strong	53%	Further infrastructure development e.g. broadband backbone	Medium	2007 - 2012	2	1
			Single one stop shop for business support with supporting angels/mentoring scheme	Medium	2007 - 2012	1	
			Mentoring / business angel scheme	Low	2007 - 2012	1	
Tourism	Strong	23%	Destination promotion management	High	Ongoing	1	1
			Implementation of Halls project	High	2007 - 2012	1	
			Implementation of HEART and other cultural projects	Medium	2007 - 2012	2	
Construction	Strong	18%	Continuation of existing supply chain and industry-academia initiatives	High	Ongoing	1	1
			Re-initiate skills initiatives to ensure labour supply	Medium	Ongoing	2	
Food and agriculture	Negative	31%	Implement food hub proposals	High	2007 - 2012	2	2
			Implement food cluster initiative	Medium	2007 - 2012	1	
Advanced engineering	Negative	31%	Establish higher education engineering provision	High	2007 - 2012	2	1
			Establish Technology Park, linked to Hethel Centre	High	2007 - 2012	1	
			Attract air maintenance activities at the airport	Medium	2007 - 2012	2	
Distribution	Weak	23%	None recommended				-

The subsequent sections discuss specific sectors and interventions, starting with those areas for which a high level of priority is suggested.

2.5.2 Science-based industries

Norwich has the potential to increase higher value-added employment in particular by building on the strength of research institutions in the fields of health, life sciences and environmental technologies. It is conceivable, as explained in Section 11, that Norwich could create 2,000 jobs in this sector in the next 10 years and double that amount during East of England Plan period going forward to 2026. The institutions and much of the 'soft' infrastructure to promote this jobs growth is already in place, as described elsewhere in this report. However, there are a number of key projects that would greatly support this process. These include:

- Accelerate plans to broaden the focus of Norwich Research Park to house a greater amount of commercial activity. A key issue in this is the physical expansion of Norwich Research Park to provide business space. Existing expansion plans should be implemented, including initiation of Compulsory Purchase procedures if necessary to acquire land.
- As described above, step-up efforts to attract inward investment by linking marketing and promotion efforts to development of new research programmes at Norfolk & Norwich Hospital or other research institutes. The aim should be to attract a large multinational company research facility, which will require targeted efforts and a specific plan in order to take a pro-active approach. This should be developed in conjunction with East of England International and UK Trade & Investment.
- Build on UEA's strong position in environmental sciences and fill gaps in existing support for innovation and the commercialisation of knowledge. Implementation of UEA's proposal for an environmental sciences innovation centre would contribute significantly to this, as would the establishment of an engineering department at the university.

2.5.3 Creative Industries

Norwich has established strengths in the creative industries which make it a key sector for support. These strengths include a range of established businesses and organisations and growing smaller companies, key educational institutions and a number of public-private initiatives and projects which will help promote further growth. The Shaping Norfolk's Future Creative Industries Group provides an effective co-ordinating body for future work in the greater Norwich area. It covers Norfolk as a whole, but the fact that Norwich is the main industrial and business centre in the county means that the large part of supporting activity will take place in Norwich in any case.

A key recommendation in relation to creative industry development is to continue with the initiatives already in place to the extent that they address the key issues for the sector set out in Section 13. There are however, a number of further areas for consideration:

- Initiatives to support business development by linking creative industries firms with other sectors in greater Norwich. The City Council's suggestion that forthcoming initiatives, such as the upcoming local procurement study, can help build trade between larger employers and creative businesses in areas such as marketing, design or PR is a good one: this should be a focus of that study and other Buy Local work.
- There is scope to establish a single site one stop shop for creative businesses to focus on the provision and dissemination of knowledge and movements in technology. This would particularly helpful for those creative industry areas outside the remit of EPIC. Linking such a one stop shop to the new LEGI-funded Norwich Enterprise Centre, e.g. by providing specialised support, would help bring creative businesses into closer contact with other local firms.

- Projects to further develop the 'hard' infrastructure underpinning the sector. This should include consideration of a fast broadband network based on the Soho Net model, and the supply of affordable start-up space, building on the City Council's established aim to develop creative hubs around King Street and Magdalen Street.
- Further work on the issue of graduate retention / attraction by creating interfaces between established creative businesses in Norwich and graduates from the Colleges and University. A mentoring or business angel scheme for the sector should be instituted to provide support for those considering starting a business.
- Further expansion of sector promotion efforts to encourage greater links between the creative industries sector and other sectors in greater Norwich and to establish a greater presence on the national and international stage.

2.5.4 Tourism

The review of tourism industry issues in Section 14 highlights a number of areas where Norwich and the surrounding rural areas could increase the economic benefits from tourism activities. Norwich's offer to tourists is being developed, with e.g. the opening of some new hotels in the last 18 months. There are a number of areas for action however. These include broadening Norwich's appeal among under-represented younger and more affluent visitors, developing a presence in the national business visitor destination market, and renewing the appeal of the Broads-related tourism in the context of declining 'traditional' Broads holidays. A number of actions will help to achieve this including the following:

- Continued financial support for destination and tourism marketing in the greater Norwich area. This is a key priority action in particular because of the need to link city and market town/rural area tourism promotion.
- Implementation of the heritage and economic regeneration projects proposed by HEART. The St. Andrews Halls project in particular should be a priority because of its potential to create medium-size conference venue in the city and therefore develop the city's appeal for business visitors. It will also address the lack of a large concert venue and contribute to the creation of a cultural hub in the immediate surrounding area.
- A project should also be taken to review links between marketing measures undertaken by different agencies to identify areas for leverage and common focus. This relates closely to the point made above about coordinating efforts of public and private sector agencies more closely in order to achieve greater leverage overall.
- Build on Norwich's cultural and architectural heritage and creative industry strengths by developing an ongoing programme of linked events across different sectors including museums, theatre, festivals etc.
- Continue to move forward with HEART's work to place the city on the UK's candidate list of UNESCO World Heritage Sites, developing a formal bid linking the city of Norwich and the Broads.

2.5.5 Construction

Construction is likely to be a major employment growth area in coming years in particular because of the substantial project work associated with house-building and infrastructure projects. The 3,200 baseline forecast increase in employment in the sector between now and 2026 would constitute on its own nearly 10% of the overall greater Norwich employment growth target.

There are a number of issues affecting employment growth trends in the sector. These include the issue of skills and the recruitment of younger people to the sector. The adoption of sustainable construction techniques will also become increasingly important in coming years, and is an area where local firms can develop their own competitiveness while contributing to the promotion of Norwich as a location for environmentally sustainable growth.

Skills shortages are likely to be exacerbated by the inception of major projects in the region and beyond, including the Olympics and Sizewell C. In light of this it is quite possible that a considerable proportion of the demand for labour will be met by in-migration.

- There is therefore an opportunity to help promote the development of a skilled labour force from the indigenous population, which will also help create greater numbers of intermediate and higher level jobs locally.
- Many of the partnerships required to coordinate further sector development are in fact in place, so the key recommendation from this report is to continue to support existing construction initiatives such as the Build Norfolk Network focusing on supply chains, and Constructing Excellence, developing links with higher education institutions and schools.

Given the potential for construction to create new jobs in Norwich, it is unfortunate that the previous Construction Academy initiative is no longer being funded. This underlines the need to ensure support for existing projects tackling key issues in the sector.

- There is also scope to link locally-based construction firms with sustainable construction expertise available at UEA.

This can be achieved for instance, by moving from information exchange activities of the kind currently promoted by CRed to more involved joint working on demonstration projects or feasibility studies.

2.5.6 Advanced Engineering

The advanced engineering sector includes a range of firms in different sub-sectors with particular local strengths in (but not limited to) motorsports, the oil and gas sector, and aircraft maintenance. The sector benefits from a number of public sector-supported initiatives which receive continued support to the extent that it can be shown that they deliver wider employment benefits. Lack of skilled workers remains a key issue for the sector at national as well as local level.

- There is therefore scope for ongoing discussions with further and higher education institutions to see if provision of appropriate courses for apprentices and graduates can be introduced.

The Hethel Engineering Centre is still a relatively new initiative but has already exceeded its forecast targets for take-up of space by start-up companies and has the potential to form the basis of an advanced engineering cluster in the greater Norwich area. This nascent cluster also has the potential to contribute to workforce development in environmental engineering skills, and therefore to contribute to employment growth in environmental technologies.

- A key recommendation is therefore to support growth by making space available for the development of a technology park at or near the existing Centre.

There is also scope to expand the aircraft maintenance activities already being carried out at Norwich Airport by KLM Engineering and other companies, and thereby create new high skill jobs in the north of Norwich. The fact that KLM has its own training school at the site is a further asset that could help to support this. This is a real opportunity as capacity constraints at Heathrow and other airports create pressures for maintenance activities to be carried out elsewhere. This is an area which could be taken forward in discussion with the airport and by further investigation of the needs of aircraft maintenance firms at other UK airports.

2.5.7 Financial Services

Norwich has a cluster of financial services employment which stands out compared to other UK cities because of the high number of jobs in relation to the city's overall population. This constitutes both an opportunity to build on and a potential threat, because of the risk that a large employer might downsize significantly.

The cluster has broadened and diversified notably since the mid-1990s with the emergence of a number of medium-size firms in various areas of retail financial services. The existence

of a skilled workforce and relatively cheap city-centre property vacated by Norwich Union have been cited as significant reasons for this trend, underling the need to underpin the sector's competitiveness with skills initiatives and to ensure appropriate provision of office space.

- Existing activities to support the industry in Norwich including the work of the Financial Industries Group and the establishment of the Financial Services Academy are significant achievements which need to be supported into the long-term.

Continuation of existing sector-support work including the broad networking initiatives already in place, and on-going liaison with key investors in the city to understand their concerns and 'make them feel loved' is therefore an important action to help support existing employment levels.

- There also is further scope to increase employment in the city through the growth of existing companies and through inward-investment attraction, notwithstanding current issues affecting financial services industries at national and international level.

Investment attraction should include targeted efforts to attract re-location of activities, in particular from London, where significant cost-push pressures can be expected to exist for the foreseeable future.

- Efforts both to maintain existing jobs and attract new ones will be supported by wider promotion of the city as a financial services location.

This needs to be achieved through marketing Norwich to key audiences through approaches to targeted opinion-formers including editors and journalists at key industry publications.

2.5.8 Retail

Greater Norwich has a thriving retail sector which offers scope for further job growth. The city centre accounts for a significant proportion of regional comparison goods shopping, supported by the outstanding built environment which helps to attract visitors from a broad catchment area. Retail is also thriving in several of the market towns. The prospects of the sector as a whole are linked to the area's wider cultural and heritage offer both inside and outside the city, and need to be seen in the context of this wider perspective.

- Key actions include deciding the extent to which it is desirable to allow retail provision and employment to expand towards its maximum potential, and how much additional retail floorspace to accommodate.

This is not an issue of the extent of potential market demand (recent research indicates that there is likely to be strong sustained demand for appropriate retail floorspace, as discussed later in this study). Rather it is a question of the extent to which it is desirable from the point of view of facilitating growth of a higher value added 'knowledge-based' local economy, considering the relatively high number of lower paid jobs in the retail sector.

- There is also scope for further consideration of how the diversity of the retail offer in The Lanes and other areas of the city centre can be supported through planning policy, and how independent traders can be protected and supported in order to retain Norwich's distinctiveness and avoid the 'Clone Town' effect.
- Beyond this, further actions relate to improving skills in the sector and the wider benefits that this may bring. The potential to support skills through establishing a retail academy in Norwich should therefore be investigated, along with its impact to support not just increased employment but also higher earning potential.

2.5.9 Food sector

Food processing activities remain important to the greater Norwich economy with a number of national brands having manufacturing activities in the area. Employment forecast shows an ongoing decline in this sector, suggesting that it should not be a major focus area for proposals to support employment growth. Nonetheless, despite the overall reduction in jobs

there are a number of sub-sectors where opportunities for supporting existing employment levels exist.

- The Food Hub proposal developed in line within the context of the Regional Economic Strategy provides a good opportunity to capitalise on existing advantages in this area and should be implemented in the near future.
- There is however scope to broaden the Food Hub's activities by investigating other opportunities to create a food cluster initiative, bringing R&D institutions including the Institute of Food Research and the Norfolk & Norwich Hospital, together with food processing and educational institutions together. The extent to which genuine opportunities exist would need to be researched in more detail. However, it is suggested that initial work is undertaken on the feasibility of establishing a local food cluster initiative.
- There are also projects linking the sector with the rural development agenda, such as the Produced in Norfolk initiative, which should continue to be supported and expanded where appropriate.
- There is also scope to promote sector development through links to the wider retail, heritage and tourism offers, for instance by further expansion of the Norwich Food Festival and its integration into a wider programme of activities to attract visitors to the Norwich area.

2.6 Delivery issues

A wide range of bodies are currently involved in activities with relevance to the future delivery of an economic development strategy for greater Norwich, reflecting administrative and institutional arrangements drawn up in earlier times. These include economic development functions within the Broadland, South Norfolk, Norwich City and the County councils, and the county- and city-wide partnerships Shaping Norfolk's future and Norwich Economy Round Table. In addition there are the activities of the Norfolk Chamber of Commerce and other bodies such as Visit Norwich, HEART, The Forum Trust etc.

The range of valuable interventions that have been implemented in recent years at different levels in Norwich and the surrounding area indicate that it has been possible to achieve a lot despite the complexity of over-lapping arrangements. Nonetheless, it is hard to argue that such a set of arrangements would be chosen if an appropriate institutional framework for delivery were to be drawn up now on the basis of first principles.

The prospect of reform of local government institutions in Norwich provides the opportunity to adjust existing institutional arrangements and to implement a more appropriate structure to support the economic component of the overall growth programme. A number of institutional arrangements may be suitable. These include retaining a leading / co-ordinating / advocacy role within local government and working in co-operation with the private sector or other delivery bodies, or alternatively instituting a form of arms-length or outsourced arrangement in the form of an urban regeneration company e.g. as in Peterborough or a city development company e.g. as found outside the region in Sheffield.

Because the outcome of discussions on local authority reorganisation is unclear at the time of drafting this report we have followed the approach agreed with the project steering group, to outline the key tasks that will need to be addressed to deliver the overall economic growth agenda. These can then provide a guideline on issues to be addressed in designing new institutional arrangements for delivery. We suggest therefore that these tasks include the following:

Advocacy and promotion

- There is an ongoing need for the greater Norwich area to 'fight its case' in relation to regional and national government institutions e.g. in relation to funding for transport infrastructure or in relation to allocation of discretionary funding streams. This will be a

key task for delivery in particular of the infrastructure required to support the economic growth targets.

- There is a similar need for co-ordination of promotional work, working to combine the efforts of public and private sectors as described above. This will require 'clout' and consistency particularly with respect to the private sector. Companies will need to be persuaded that taking part in co-ordinated initiatives makes sense from their point of view, and that public sector organisations can be relied on to deliver their side of the bargain.
- A single voice in advocacy for greater Norwich will also be important in terms of presenting consistent messages to potential private sector inward investors looking at the city-region from an external point of view.

Co-ordination and liaison with key stakeholders and institutions

- The economic component of the growth programme will need to be carefully co-ordinated with delivery of infrastructure and housing construction. This will be best promoted by a single line of authority and point of contact with e.g. regional organisations, utility companies, house-builders etc.
- At the same time there is a need for ongoing liaison with key institutions in Norwich, in particular higher and further education institutions. Particular departments and individuals within these institutions are likely to be engaged in sector development programmes, but there is also a need for higher level liaison and co-ordination, particularly in light of the aspiration to involve UEA and the colleges more closely in economic development efforts in future.

Management of sector and other economic development programmes

- There is a need to oversee co-ordinated delivery of a programme of initiatives for promoting development in specific sectors or for addressing cross-cutting issues such as enterprise support.
- It is more likely that desired outcomes will be achieved if a consistent and co-ordinated approach is taken, involving either direct delivery or oversight of outsourced programme management, along with ongoing monitoring and evaluation to test programme effectiveness and make appropriate adjustments.
- Management of economic development programmes is currently split between lower and upper tiers of central government. Ongoing delivery through partnership arrangements is therefore quite feasible. There is however an argument for streamlining of management and co-ordination roles within a single agency.

Inward investment attraction

- On the basis of past trends and the analysis presented in this report, inward investment attraction is likely to be a secondary but nonetheless important function in the delivery of the growth programme. It is suggested that this will require both a passive component (dealing with incoming queries etc.) as well as a more active attraction plan focused on a small number of key opportunities in the areas listed above.
- There are a number of areas where this will be best achieved by working alongside sectoral initiatives and in conjunction with other local stakeholders (NNUH and NRP Enterprises being two examples in relation to life sciences inward investment).

It is important to note that this is a list of overall tasks to be undertaken. However, the balance of resources and time devoted to each may vary. It is expected for instance that significantly greater effort will be devoted to support for indigenous business growth compared to efforts to attract inward investment.

3 Sites and Premises Study

3.1 The Brief

In 2006 the greater Norwich area comprising the local authority districts of Broadland, Norwich and South Norfolk District, was designated as a New Growth Point. Plans for the area within the context of Regional Spatial Strategy include an additional 37,500 new dwellings and 35,000 additional jobs between 2001 and 2021, with further growth of at least 10,000 further dwellings between 2021 and 2026. Much of this growth will be centred on Norwich, requiring a planned approach over the RSS period and consideration of how employment and population growth can be planned for and managed in a sustainable way.

Ensuring appropriate provision of land and premises in line with current and future business needs and which are easily accessible for the existing and new population are therefore key issues to be addressed in the Joint Core Strategy of the three local authorities.

The brief for this study required an employment sites and premises review using recent EEDA Guidance on employment land reviews including a risk assessment of vulnerability to change of use and the challenges in bringing forward particular sites including a review of office stock condition, an assessment of the condition of other premises/industrial estates and a hierarchy of allocations.

The emerging Regional Spatial Strategy directs most strategically significant growth to the region's major urban areas, including Norwich where:

strategic networks connect and public transport accessibility is at its best, and has the most scope for improvement; and

there is the greatest potential to build on existing concentrations of activities and physical and social infrastructure and to use growth as a means of extending and enhancing them efficiently.

3.2 Policy Context

The emerging Regional Spatial Strategy for the East of England sets indicative targets in policy E1 for net growth in jobs for the period 2001-2021 in the greater Norwich area of 35,000 jobs and suggests that local development documents should provide an enabling context to achieve these targets and suggests that further growth is anticipated in subsequent periods. Providing sufficient employment land of the right type is a key element of this enabling.

Policy E 2 of the RSS, Provision of Land for Employment Suggests that Local development documents should ensure that an adequate range of sites/premises (including dedicated land/sites and sites within mixed-use areas and town/district centres) is identified and then subsequently allocated, safeguarded and/or protected to meet the full range of sectoral requirements needing to be accommodated to meet the indicative job growth targets of Policy E 1 'Job Growth 2001-2021' and the needs of the local economy as revealed by up-to-date employment land reviews.

The RSS notes that the quality of land to meet the needs of business is one of the critical factors in ensuring economic success and attracting inward investment. Local development documents will ensure that there is a high quality offer of employment land, taking account of the contribution that can be made by strategic and sub-regional employment sites and the need to provide the levels of job growth roughly in line with Policy E 1 on 'Job Growth 2001-2021'.

The RSS suggests that area's economic strengths include a diverse economic base with specialisms in biotechnology, food processing, finance, insurance and business services, retail and leisure, media and creative industries; an important education and training base in the University of East Anglia, Norwich School of Art and Design, Easton College and Norwich City College; and a strong tourism base. These are acknowledged to be of regional

significance, particular as a major regional service centre, a role which extends well beyond Norfolk. There are significant opportunities to build on these existing strengths, with Norwich and surrounding towns and villages benefiting from the city's status as a major economic driver for the region, and a visitor destination of international importance. This is recognised in its identification by the Government as a New Growth Point.

Policy NR 1 Norwich Key Centre for Development and Change, states that given its regional significance Norwich should be a major regional focus for housing, employment, retail, leisure, cultural and educational development. Particular aims, reflecting its identification as a new growth point, should be to:

- provide for 33,000 net additional dwellings in the Norwich Policy Area (NPA) in the period 2001-2021 facilitated by joint or coordinated LDDs prepared by Norwich, South Norfolk and Broadland;
- achieve a major shift in emphasis across the NPA towards travel by public transport;
- support and enhance the retail, leisure and cultural role of Norwich and its image as a "contemporary medieval city";
- promote the city as a destination for tourists and visitors and a gateway to the wider rural and coastal areas of the county and the Broads; and
- address the deprivation concentrated in parts of the urban area.

Planning for employment growth in the NPA should focus on:

- the City Centre, particularly media and creative industries, finance and insurance, and information communication technologies;
- Thorpe St Andrew and Longwater, Costessey (business park use);
- Colney/Cringleford (significant expansion of the research park reserved for research and development, higher education, and hospital/health related uses);
- Norwich Airport (uses benefiting from an airport-related location); and
- Wymondham/A11 corridor (high-tech development and rail-related uses).
- New requirements for transport infrastructure arising from development in the Norwich area

Existing and emerging economic clusters/ sectors to be supported and promoted include media and creative industries, business and professional services, finance and insurance, energy (including renewable energy), advanced engineering (including high performance motor sport), environmental economy, health and life sciences including plant biotechnology, education, and tourism.

3.3 Drivers of the Economy

Greater Norwich has a robust and diverse business base. Some 50 companies have national or regional headquarters in Norwich including Aviva, Virgin, Marsh, Moneyfacts, Central Trust, KLM, Unilever, Lotus, PriceWaterhouse Coopers, Archant Media Group, Grant Thornton, Office of Government Commerce, Mills and Reeve and May Gurney. Norwich Research Park is one of Europe's leading clusters of research and development encompassing health, food, plants, microbes, the environment and computing sciences. Organisations based at the Research Park include The Institute of Food Research, The Sainsbury Laboratory and the John Innes Centre. The Norwich Bio-Incubator provides self-contained units for biotechnology spin-outs and start-up companies and dedicated business support.

The University of East Anglia, a research-led university with a growing reputation is expanding rapidly and now is well established as one of top twenty universities in UK. The

University hosts the headquarters of the world-famous Tyndall Centre for Climate Change Research, has a new Medical School and has a global profile for environmental science.

Norwich International Airport is expanding. It has world-wide links through Schiphol (4 flights daily each way, with a journey time of 50 minutes). There are regular direct flights to Edinburgh, Aberdeen and Manchester. The chartered business flights and holiday markets are also developing.

Norwich is ranked in the top ten retail centres in the UK based on the scale of the retail turnover based on the Experian Goad ranking of 1,100 UK towns and cities. The centre is distinct in containing the possibly the strongest representation of independent retailers in the UK outside London. As a major regional service centre, Norwich also has a vibrant evening economy – attracting almost 30,000 visitors on an average Saturday night.

Employment in the media industry is higher than the national average. Companies based within Norwich include Anglia TV, BBC TV East, Radio Broadland, Radio Norfolk, Archant Media Group (the largest independent regional media group in the country).

Norwich is the largest financial centre in the Eastern Region. Approximately one in three of Norwich's workforce is employed in financial services. 17 financial companies have regional or national headquarters in Norwich, including of course Aviva.

Norwich has one of the largest clusters of creative and cultural industries in the Eastern Region. It is recognised for its richness of creative talent and is home to the highly regarded Norwich School of Art and Design. Creative Writing at the University of East Anglia has a world-wide reputation.

Norwich has an expanding knowledge based and public sector employment including DEFRA, Office of Government Commerce and recent location of the Department of Work and Pensions.

The skilled work force, significantly enhanced by one of the highest university graduate retention rates in the UK is matched by a strong knowledge economy. But the knowledge economy needs to grow further and to expand intermediate level jobs as part of a rebalance of the economy. This is because a proportion of workers are over skilled for their current jobs and this results in a silting up of job opportunities for less skilled groups.

3.4 Employment Forecasts

The outlook for employment growth in greater Norwich is for expansion. The total projected increase is for an additional 30,000 jobs between 2006 and 2026 and 45,000 between 2001 and 2026. In both cases these totals include the self-employed. This is also equivalent to 10% of the total regional employment growth.

These forecasts are based on extrapolations of recent trends in the greater Norwich share of UK jobs in individual sectors. We regard the UK projections as attainable and currently see no reason why greater Norwich should not continue the established trends in its share of these jobs. The projected increase of 1,500 additional jobs each year, is below the 3,000 average annual increase over the last ten years. We expect lower jobs growth in future partly because of a much slower rate of increase in public expenditure.

The graphs below summarises the total and sector breakdown of employment change for greater Norwich over the period 2001 to 2026 respectively. This is based on work by Oxford Economic Forecasting and is based on "business as usual", the latter representing conditions in which Greater Norwich continues to offer the range of sites, premises and support that it has in the recent past.

Overall aggregate growth can be summarised as follows:

- 35,215 jobs in the period 2001 – 2021 (directly compatible with the RSS);
- 40,212 in the period 2001 – 2026, 2026 being the end date of the plan period; and

- Overall growth of 25,000 jobs between 2007 and 2026 (the plan implementation period)

3.5 Trends and Take up of Office Floorspace

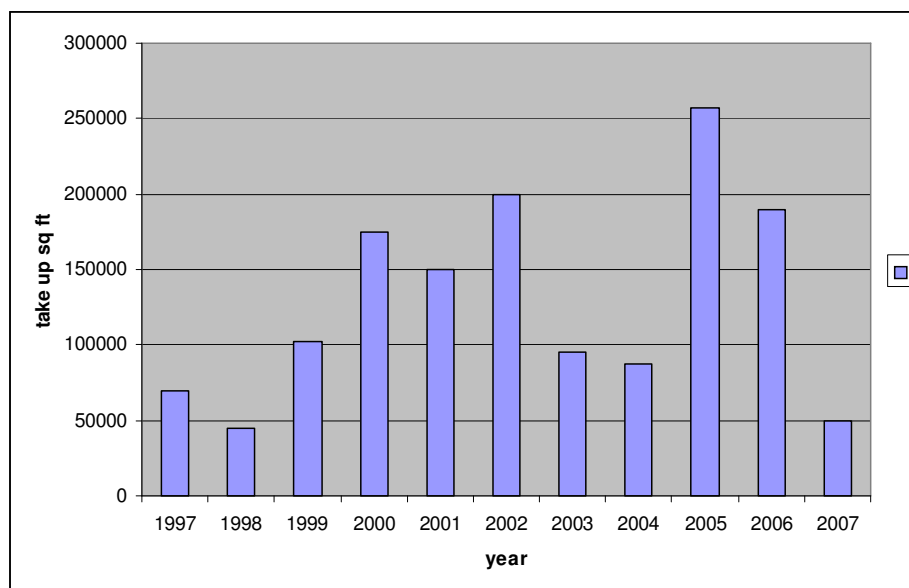
The local office market in Norwich comprises around 4 million sq ft of stock. As noted above, the market for Grade A space is currently concentrated on business parks such as Broadland Business Park on the city outskirts and Gateway 11, in Wymondham.

The offices market has traditionally been dominated by occupiers with regional and national market such as Aviva together with the public sector (e.g. HMSO historically) and to a lesser extent local and sub regional occupiers serving local and regional markets. Both Aviva and public sector have tended to provide a large proportion of their own space, resulting in a much smaller commercial and speculative market. However, trends most recently are towards the larger uses seeking space on a commercial basis, while owner-occupation remains popular for many local users. This position puts greater emphasis on the role of developers in providing a supply of premises than in the past and on the viability of developments, which is influenced by rental levels and the confidence in long term rental streams.

Office rents remained relatively steady in 2007 with £15.50 per sq ft being achieved for the best new out of centre space and £13 per sq ft for the best second hand space in the city centre. Rents could rise higher, but are likely to stabilise, given the healthy pipeline supply. As might be expected lettings and achieved rentals are very sensitive to location. The level of rents is generally not sufficiently high to promote a steady supply of ready to use Grade A space. Nevertheless, the market generally has ready to use and consented sites, with actual development occurring relatively quickly after occupiers sign up for pre lets.

Many local firms have occupied converted, historic or second hand space, much of which is in prestigious city centre locations. However, consolidation, the demands of IT and rising and changing expectations means that many have been relocating to newer stock, including business park space.

Take up in 2007 has been around 5,000m² lower than in previous years and suggests that the pipeline space is substantial (see Figure 4.3). However, this is thought by commentators to reflect two factors: a number of major requirements having been satisfied and a shortage of good space. Based on anticipated lease expiries and changing occupiers it thought that there is significant latent demand for city centre space.

Take up of office space in Norwich 1997 - 2007

Much of the existing city centre stock dates from the 1960s, 1970s and 1980s which is often now unattractive, particular to new investors. Some of this stock has been refurbished, reflecting the continuing commitment of Aviva to Norwich. Proposed developments at Duke Street and Whitefriars, proceeding on the basis of pre lets are a good sign and will meet much of the city centre office requirements over the medium term.

The current pipeline of 85,000m² will contribute space for at least 4000 – 8,000 jobs, depending on floorspace densities. However, evidence suggests that this pipeline has improved in recent years. Given expected employment growth and other opportunities on business parks and around the market towns, it seems likely that take up will increase as take up will include relocations of existing city centre occupiers seeking more modern space as well as employment growth.

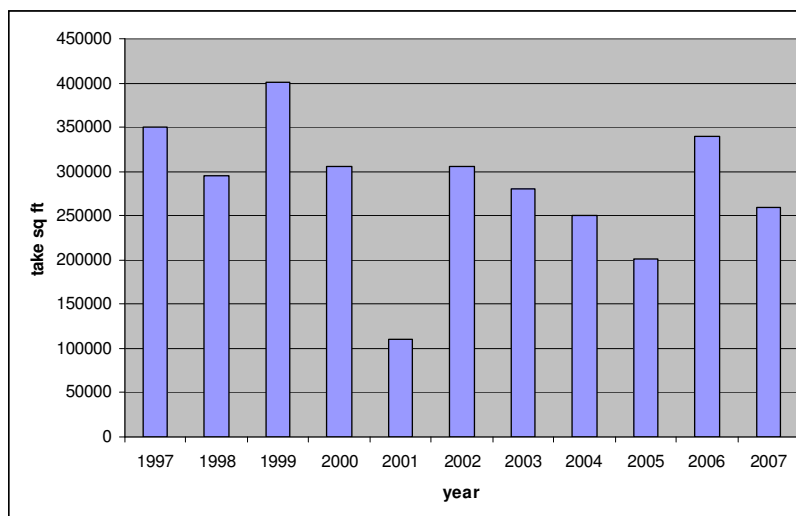
3.6 Industrial and Warehouse Markets

The industrial market has remained strong in Norwich, with capital growth and total returns hitting their highest levels in over a decade. While the market is cooling off from the high volume of transactions recorded in 2006, there is still some activity left in the current cycle. Prime yields have softened during 2007 from 6% to 6.25%.

There is a shortage of available freehold land available for development, as well as a lack of speculative development of industrial space.

The apparent strength of demand for industrial premises can be considered in the context of the forecasts in Section 4 suggesting recent and future long term decline in industrial employment. Manufacturing is generally becoming a more capital, space and land intensive activity. This reflects increasing mechanisation and the use of new technologies and the obvious trend towards single storey premises usually with much better vehicle access and vehicle turning circles than was achieved in the past.

This means overall output and demand for premises and sites may be growing even though employment may be declining. The obvious recommendation is that the provision of industrial premises should be based more on take up rates and less on employment trends.

Figure 4.3: Take up of industrial space in Norwich 1997 - 2007

Recent market commentaries suggest availability of just 5% of the existing stock, a situation which has been confirmed by consultees in this study who have consistently suggested that there is a shortage of industrial space. An Autumn 2007 market commentary by Savills suggested that in Autumn 2007 there was overall availability of 64,000m² with just 5,000m² of this being speculative new build. However, the supply of space pre-let has been stronger. In essence existing shortages reflects a lack of speculative development.

The larger established estates to the north of the City such as Airport estates vary significantly with regards to the take up of space. Generally the larger, poorer quality units take a considerable time to re-let. Overall there is a shortage of available freehold land available for development, although a number of the larger estates (e.g. Vulcan Road) offer redevelopment potential where there are large areas of purpose built units, where there could be infill opportunities.

In relation to current development opportunities most are at locations such as Broadland and Longwater. Longer term options include the airport.

Generally there is thought to be strong demand for smaller units. This is being addressed by proposals for managed workspace and growing on units at Hurricane Way on the airport industrial estate and by managed workspace being developed in the West of the City as part of the north Earlham New Deal for Communities programme. However, the situation needs to be monitored carefully. This is especially as a result of smaller sites being lost to housing in the city centre, e.g. at King Street and evidence from the redevelopment of the livestock market where it was necessary to relocate small businesses is that businesses find it difficult to find premises in the urban area and that some of the demand is being met in the wider rural area.

3.7 Existing land and premises provision

To date the greater Norwich Area has been able to provide a wide range of employment sites to meet the needs both of a diverse economy and the needs of local populations to access employment. As such past strategies have been well formed and competitive and thus there are good reasons for continuing the current approach.

There is no case for the wholesale de-designation of any of the existing employment sites for other (non B group) uses. This is because all sites are in active use and excepting the most recent allocations largely occupied, with low vacancy levels mostly associated with natural churn rather than lack of demand. Indeed this suggests to us that sites deserve strong policy protection, especially to the ring road sites and newer larger allocations. In

some cases such as Longwater, there is a case for clearer definition of the employment site, as opposed to land that is available for retail or housing development.

Compared to the other locations where we have completed similar reviews, we are surprised at the relative lack of a range of available ready to use sites, with the main current opportunities of this kind only at the Broadland Business Park. Nevertheless the loyalty of office occupiers to the city centre and the existence of a sizeable office development pipeline is impressive and reflects the success of the wider planning strategy.

It is also notable that the city centre still contains significant long term capacity, particularly at Whitefriars, Duke Street and in the longer standing office areas as identified. However this will depend on the protection of some sites for offices against competing retail and housing uses. The wider central area also some highly complex development sites notably at Anglia Square that will require intensive support if they are to include office or other B-class uses. Many of these areas should be subject to masterplanning exercises in order to identify future office sites – and avoid piecemeal development for other uses.

The Norwich Research park is one of the greatest areas of potential and of significant on a regional and national scale. It therefore deserves higher priority in terms of achieving the assembly of land and realisation of infrastructure.

Strategically, the improved accessibility offered by the southern bypass, compared with the lack of road capacity to the north of Norwich has tended to make the southern part of greater Norwich a more attractive location for business than the north. In this respect the designation of sites at the eastern and western ends of the bypass has provided a sensible approach, especially given the scale of population and the employment needs of the residents of the northern side. As a consequence there is case for developing a new north city employment hub. In our judgement this should seek to realise the economic potential of the airport and in the longer term benefit from the proposed northern distributor road.

Creative industries are one of the sectors that particularly benefit from clustering. A recent study by the Work Foundation demonstrates the importance of a critical mass of knowledge workers to stimulate innovation. The basis of the success of certain knowledge economies is the extent to which certain cities can provide the conditions to allow for an agglomeration which leads to transfers of ideas, collaborative working etc. e.g. the Nether Conesford model in King Street. The importance of social capital, e.g. opportunities to network in local cafes, bars, etc. are particularly important in knowledge economies for innovation and creative industries. This therefore leads to a conclusion that this type of activity needs to be focused in a City Centre, a creative quarter or potentially around a university campus/science park. It is dangerous therefore to rely on rural and sporadic provision as this will not achieve the conditions which a significant body of research say are necessary to underpin creative and innovative industries. There are other issues too about access to public transport, location with deprived communities.

Beyond the urban area, one of the main strengths of the market towns has been their ability to provide accommodation for small and start up businesses, including a significant number of people working from home as well as numerous smaller scale premises.

A summary of existing sites in terms of size and approximate floorspace is also provided in Table 1 below. Excepting a few small rural allocations all of the sites are developed and occupancy levels are consistently high. Virtually all have evidence of recent development or occupation, suggesting that all are also viable and attractive to the market. Whilst usually employment land studies in other similar locations identify significant areas of designated but undeveloped land, this is not the case in greater Norwich, indeed levels of vacancy and undeveloped land seem largely to be at a level associated with normal market churn and there is little evidence of long term vacancy or undevelopment on any site. It is also clear that many of the sites have been under pressure for redevelopment for other uses, notably housing (especially in the city centre) and also retailing, car showrooms, leisure and hotel uses).

Table 1 also provides our assessment of the combined market appeal and policy contribution in accordance with the EEDA Guidance on Employment Land Reviews in the East of England². Based on the EEDA definition marketability is concerned with the extent to which if there are or were vacancies on the site the extent to which it is likely to be taken up in a reasonable timeframe. Policy contribution relates to the merits of the site with regard to strategic and local policy objectives. A site will rate highly on this criteria because it is in a sustainable location, in a built up area (or settlement envelope) and well served by public transport. A site may also score highly because it is the only employment area in a small town or village. The basic scoring is as follows.

- 5 Excellent
- 4 Good
- 3 Average
- 2 Poor
- 1 Very Poor

Sites rated 4-5 may be assumed to be taken up during the plan period. Sites rated 3 may or may not be taken up depending on market conditions and the availability of competing sites. Sites rated 1-2 are considered generally unsuitable for continued employment use.

As may be observed in our judgement all site score higher than 3 so none are considered unsuitable for employment use on this basis.

Overall given the scale of current supply and the quality of the existing sites we would recommend rather stronger policy protection against non B1 uses on many of the sites.

3.8 Future land requirements

Under the Baseline Forecast an additional 250 hectares of employment land will be required by 2026, comprising 126 hectares of B1 allocation for office space, and 124 hectares for B2 and B8 industrial uses. Under the RSS Dwellings forecast, an additional 229 hectares of employment land will be required by 2026, comprising 118 hectares of B1 allocation for office space, and 111 hectares for B2 and B8 industrial uses. The difference in results between the two scenarios are not substantially different – the total requirement for land of the RSS Dwellings Forecast is 92% of that of the Baseline Forecast. We recommend that to allow some scope for margin for error that the higher Baseline Forecast is adopted as the basis for allocation of employment land in the Joint Core Strategy.

3.9 Options for future provision

Overall we have identified the soundness of existing allocations and the absence of any better alternatives. We therefore consider that the primary option should involve existing allocations.

There are issues in terms of the split between industrial and office uses on many of the above sites. This is particularly the case because many of the existing sites have included both offices and industry and thus few have a dominant industrial or office use. Our recommendation is that this should be clarified as the competitiveness of the sites may be put at risk by the overall mix of uses. This might be resolved by more detailed frameworks produced in partnership with site owners. However, in some cases the distinctions between B uses are becoming more blurred.

² Employment Land Reviews Guidance Manual, October 2007 EEDA

Table 1: Existing employment sites in greater Norwich by district, site size, policy contribution and assessed marketability

Name of site/area	Site Size (Hectares)	Estimated Existing Floorspace (square metres)	Accessibility by Road	Accessibility by Public Transport	External Environment	Internal Environment	Market Evidence	Overall Assessed Score
City Centre		320,000	4	4	4	3	3	4
Whitefriars		27,000	4	4	4	4	4	4
Duke Street		25,000	3	4		4	3	4
Smurfit Sheetfeeding	1.30	8,200	2	3	3	3	3	3
Sweetbriar Road	52.00	44,000	3	3	3	3		3
Bowthorpe Employment Area	85.00	68,000	3	3	3	3	3	3
Hall Road	68.00	64,000	4	3	4	4	3	4
Norwich Airport Industrial Estate	48.00	120,000	3	4	3	3	3	3
Norwich Livestock Market	16.00	6,000	4	4	3	4	4	4
Old Hall Road	1.70	7,300	4	3	4	3	3	4
Vulcan Road/Fifers Lane	93.00	155,000	3	3	3	3	3	3
Mason Road/Mile Cross Area	32.00	32,000		4	3	4	3	3
Whiffler Road	59.00		4	3	3		3	3
City Trading Estate	46.00	66,000	4	4	4	4	3	4
Northumberland Street/Waterworks Road	4.20	6,600	2	3	3	2	3	3
Europa Way	3.90	3,105	4	3	4	4		4
Drayton Road/City Care	5.90	20,000	3	3	3	3	3	3
Guardian Road inc Bowthorpe School	2.82	10,952	4	3	3	3	3	3
Bayer Crop Science	24.00	27,000	3	3	4	4	3	3
Deal Ground	8.20	0	1	1	3	3	2	2
Utilities site	6.90	0	1	1	2	2	2	2
Kerrison Road/Hardy Road	4.21	2,500	2	3	2	2	4	3
	5.00	0	4	3	3		3	3
	5.00	0	4	3	4	4	3	4
<i>Sub Total Norwich City</i>	<i>572.13</i>	<i>696,457</i>						
St Andrews Business Park	6.60	19,000		3	4	3	4	4
Broadland Business Park	68.00	69,000	5	3	4	3	4	4
Meridian Business Park	4.85	4,000	5	3	4	3	4	4
Damgate Lane Acle	0.45	170	3	2	2	3	3	3
ACL 2 Acle	2.40	400	3	2	3	3	2	3
ACL 3 Acle	1.00	200	3	2	3		2	3
Alderford	9.00	20,450	2	1	3	3	3	3
Aylsham	55.00	8,100	3	2	3	3	3	3
Powleys Park, Foulsham		2,382	3	1	3	3	3	3
Horsford	1.50	4,576	3	3	3	3	3	3
Abbey Farm, Horsham St Faith	3.00	8,490	4	1	4	4	4	4
Station Road, Lenwade	22.61		4	1	3	2	3	3
Rackheath	58.60	66,000	4	4	3	3	3	3
Collers Way, Reepham	2.40	2,100	2	1	3	3	3	
Sprowston	51.26	61,000	4	4	3	3	3	3
<i>Sub Total Broadland</i>	<i>288.27</i>	<i>299,368</i>						
Longwater, Costessey	37.00	30,000	5	4	4	4	3	4
Vinces Road, Diss	12.00	24,000	3	3	3	3	3	3
	8.00	10,000	3	3	3	3	3	3
Sandy Lane Sawmills Farm, Diss	15.20	0	3	3	3	3	2	3
Border Valley Estate, Harleston	8.90	45,000	3	2	3	3	3	3
	19.50	43,500	3	1	3		5	4
Hingham	4.40	14,400	2	2	3	3	3	3
Loddon Industrial Estate	48.69	19,000	3		3	3	3	3
Loddon East of Low Road		0	3	2	3	3	1	3
Jn of Beccles Road and Loddon Bypass	1.00	0	5	3	3	3	2	3
Broadhill and Tharston, Long Stratton	11.50	11,500	4	2	3	2	2	3
Ipswich Road, Long Stratton		100	4	3	3	3	3	3
Norwich Research Park	21.80	108,200	5	4	4	4	4	4
Ayton Road, Wymondham	13.00	29,000	2	3	3	3	3	3
Gateway 11 Wymondham	19.50	40,000	5	3	4	4	4	4
Cemetery Lane Wymondham	1.21	0	3	1	3	3	2	3
Ivygreen Villa Wymondham	8.90	7,500	3	2	3	3	2	3
Stanleys Lane, Wymondham	0.70	5,000	3	2	3	3	2	3
Bridge Industrial Estate Wymondham	1.30	0	3	2	3	3	2	3
<i>Sub Total South Norfolk</i>	<i>244.10</i>	<i>387,200</i>						
TOTAL	1104.50	1,383,025						

Our assumption is that the primary industrial sites will remain the existing ring road estates together with sites such as Longwater, the Airport and most of the more rural sites, including Wymondham. We discount remaining land at the Broadland Business Park as a significant industrial site because of the dominance and high values of office space in relation to industry. If this assumption is accepted this means that the greater Norwich area still offers sufficient land in these existing allocations, together with the Airport to meet future demands which are estimated to be in the region of only 85 hectares if all new take up was on new sites. In reality, existing trends suggest that there is scope for reuse and redevelopment of existing provision, albeit some of the sites are characterised by functional but aging premises and redevelopment of specific plots may take 5-10 years to achieve based on past experience.

In relation to offices the overall floorspace requirement is estimated to be in the region of 300,000 sq m. We would recommend this be distributed most obviously as follows:

- Norwich City Centre and the wider central area 100,000 sq m
- Norwich Research Park 100,000 sq m, based on a floorspace plot ratio of about 1:4.
- Broadland Business Park 50,000 sq m

For the remaining 50,000 sq m, we suggest there are a number of options including:

- Further space in the city centre and/or
- New allocations of business parks associated with housing allocations.
- Greater use of Longwater as an office park

All these options have their merits. The city centre has a good fit with policy, but perhaps depends on competing uses, transport capacity and so on. New allocations may be acceptable if housing allocations are large and geographically focused, although it is probably desirable that such allocations follow rather than precede housing completions. This would be to avoid isolated business parks. Longwater is a well connected site and could be competitive in the future.

Overall release of new sites needs to be carefully phased to avoid undermining existing and city centre sites. However, the approach seems to provide a balanced approach with main allocations in the city centre and the Research Park. This is the case because we consider that the city centre and the Research Park will appeal to different occupiers and thus will not compete or undermine one another.

The potential drawback is that it places considerable reliance on the Research Park. However, if this is not the case then there is a requirement for new allocations elsewhere. These new allocations might involve further extension to Broadland Business Park or new greenfield allocations. In terms of the potential impact on the city centre, this seems a less favourable option.

3.10 Gaps in supply

3.10.1 Small businesses

In addition to quantitative requirements we recommend that there should be greater provision specifically targeted at smaller and start up businesses. The characteristics of this provision would include:

- Flexible ownership arrangements including opportunities for owner occupation and owner developments through to short and flexible tenancies
- Opportunities for shared services e.g. IT, reprographics, meeting rooms etc
- Access to finance
- Access to business support and professional services
- Attractive environment

Our recommendation would be that these needs could be addressed by a combination of the rural sites and market towns (playing to the strengths of their environments) together with the provision of new business centre space adjacent to Norwich City Centre, possibly in locations such as Anglia Square, the City Trading Estate and Heigham Street etc.

3.10.2 Research Park

Although we have accepted the existing allocation and contingency area in the South Norfolk Local Plan, we would suggest that a highly proactive approach is needed to ensure its delivery. This is because there are ownership issues to be resolved which we do not think will be achieved without strong measures, including possible use of CPOs. In view of its national and regional significance, and the scale of potential the Park should also be a priority for public resources. In addition, as the forecasts have suggested, growth is likely to involve substantial growth in research and development as part of the broad business services category.

3.10.3 Addressing geographic needs

Consistent themes in this report and the wider growth study has been the need to ensure that the communities of Norwich are able to engage and benefit from future employment growth. Norwich has surprisingly high levels of deprivation spread throughout the urban area, but our conclusion is that residents in the north city have been facing an increasing decline in employment opportunities. Therefore, there is a need to strongly promote the development of new opportunities in the north and we have identified the Airport as the strongest driver for this growth.