

1 Summary

The purpose of the report is to brief the Joint Committee in relation to a proposal for the LEP to lead and coordinate the inputs for the preparation of an annual report on employment land “Market intelligence and signals”. This work can be used to fulfil a requirement identified in the draft Employment MOU.

2 Report

The background work relating to the preparation of the Employment Land MOU has identified gaps in the knowledge and analysis of some aspects of local employment markets and the monitoring of commercial trends and changes across Coventry and Warwickshire. There is currently no effective single focus for evidence that collects together and analyses “market trends, intelligence and the range of “signals” related to the local economy

Consequently a key recommendation of the draft MOU (ref draft para 3.6) is for stakeholders to work together to improve the gathering of relevant evidence and to use this to “manage and maintain appropriate land provisions..”

This market evidence base can be important in informing decision making on allocating employment land to ensure that there is sufficient land ,in the right place and available at the right time. It can also be used, for example, as evidence to defend employment allocations from pressure for competing uses. Examples of the types of data that can be collected are set out in the attached table.

Government Guidance¹ requires all Local Planning authorities¹ to have a clear understanding of business needs of their economic markets and states that local authorities should work together with county and neighbouring authorities and with Local Enterprise Partnerships”

to prepare and maintain a robust evidence base to understand business needs and likely changes in the market”

At its meeting on 2nd June 2016, the Planning and Housing Working Group of the LEP has recommended , initially as a pilot exercise, that the LEP leads on an initiative to collect and analyse a range of commercially related evidence related to “Market Signals and Market Intelligence” across the Coventry and Warwickshire area. A copy of the original report setting out the proposals are appended as appendix 2 to their report..

At present, much of the evidence and relevant background work related to employment land in Local Plans across the CWLEP area is based on the forecasting of likely land requirements derived from the conversion of demographic and labour force estimates and projections. All the CW local authorities adopt essentially a common methodology and indeed have recently used the same expert consultancy. While monitoring of employment trends and key performance indicators does take place at both District and County level this is not focussed on commercial market activity.

As demonstrated by the background work on the employment MOU the imbalance between quantitative analysis and the lack of “softer” intelligence and information gathering to help shape and mould the forecast work is evident. Consequently the MOU identifies the need for improved intelligence and information gathering related to market trends and changes.

This capability can be put in place with the LEP taking a coordination role and working closely alongside the relevant local authority teams (policy and monitoring), the County Council staff and also bodies such as the Chamber of Commerce and the FSB. Also private sector agents and consultants will have an important contribution and soundings of various property focussed business groups have also been made as part of the scoping work. All stakeholder partner bodies who have been involved support this initiative.

A small initial budget will be required to develop the exercise. This would cover the acquisition of commercial information, notably relating to market rents and values and it would also cover production and publication costs of an annual report pulling all the information together into a summary document.

It is proposed that, subject to approval for this work, and resources available to support the exercise that collection of data can begin immediately and a report drawing on the various sources identified can be collated by the end of the year for publication in spring 2017 .Thereafter, it is proposed the publication of the document would be an annual event.

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