

6. ECONOMIC DEVELOPMENT AND EMPLOYMENT

6.1 Introduction

6.1.1 Achieving a sustainable economy is one of the five guiding principles of sustainable development as set out in the Government's Sustainable Development Strategy, 'Securing the Future - delivering the UK sustainable development strategy' (March 2005). Local Plans have an important part to play in achieving this aim by ensuring their policies meet the needs of the economy whilst at the same time securing effective protection of the environment and achieving a sustainable pattern of development.

6.1.2 The aims and objectives listed below set out the Council's planning strategy for meeting these needs:

Aims

- A. To maintain high and stable levels of economic growth and employment in the District by encouraging a strong and diverse local economy with a wide range of employment opportunities, whilst ensuring effective protection and enhancement of the environment and the prudent use of resources.
- B. To support and seek to implement the Economic Development Strategies for the County and the District.

Objectives

- 1. Wherever possible to direct employment generating uses to brownfield sites within the main settlements.
- 2. To ensure that new employment related development maintains and enhances the quality of the built and natural environment.
- 3. To maintain the attractiveness of the District as a location for business.
- 4. To maintain the current range of employment sites to meet the needs of the local economy and to monitor future requirements.

- 5. To support the rural economy, maintaining and improving the vitality and viability of rural communities.
- 6. To ensure the most sustainable form and location of new development as current knowledge and practicalities permit, including seeking to minimise the frequency and distance of home to work travel.
- 7. To encourage the availability of passenger transport to existing employment locations, and encourage employment development in locations accessible by passenger transport and non-car modes.

6.2 Economic Activity in East Hertfordshire

6.2.1 The District has a varied economy sharing many of its characteristics with the rest of the South and East of England. It is a prosperous District with higher than average earnings and with a wide range of skilled and technical jobs being undertaken by the workforce, although there are pockets of relative disadvantage. In 2001, 17% of the workforce commuted into London and the proximity of the capital has an impact on the economic profile of the District. In 2001, just over 67,000 (71%) of the population were economically active.

6.2.2 The unemployment rate in East Hertfordshire is consistently one of the lowest District rates in Hertfordshire and is lower than that for the East of England Region and the nation as a whole. The figures for August 2003 show that the unemployment rate in the District is 0.8% of which 7.5% are long term unemployed.

6.2.3 East Hertfordshire's rural character means it has a significant agricultural base. However, its economy is dominated by the service sector, with 77% of businesses of this type, but it still retains a relatively strong manufacturing sector, with 16% of companies in this category. Businesses tend to be small or micro enterprises, especially those in the service sector, with 80% of businesses employing

6. ECONOMIC DEVELOPMENT AND EMPLOYMENT

10 people or fewer. However, there are a small number of larger firms, which play an important part in the local economy. In common with the rest of the South and East of England, the growth of the service sector and the decline of manufacturing, along with a restructuring in agriculture, are important features of the local economy. This trend is set to continue, with growth in the "knowledge" based industries, which account for 24% of jobs in East Hertfordshire. Further information on the local economy, employment land and future requirements can be found in the East Hertfordshire Employment Land Study 2004.

6.2.4 Of particular importance for agriculture is the reform of the Common Agricultural Policy (CAP). This has resulted in a shift from market based intervention towards direct payments and rural development. Diversification into other areas of non-food production, along with enhanced business efficiency, are increasingly important aspects of restructuring the rural economy.

6.3 Economic Development Strategy and Partnership Initiatives

6.3.1 The District Council published an 'Economic Development Strategy' in 2002/03 to assist in the economic development of the District. The Strategy aims to develop a strong local economy through support for existing and new businesses, while sustaining the environment and enhancing the quality of life for residents. The Strategy recognises that a major strength of the local economy is the high quality of the local environment and this remains an important guiding principle. The development and maintenance of partnerships is essential in delivering the strategy, by bringing together organisations, resources and the local community. In future the Strategy will be incorporated into the East Herts Community Strategy. Further information can be obtained from the District Council's Economic Development Team.

6.3.2 The District Council, together with partner organisations concerned with the economic regeneration of Hertfordshire, jointly known as the Hertfordshire Prosperity Forum, have developed the County Economic Development Strategy and Action Plans. The District Council, along with the

partners, will continue to seek to implement these countywide strategies.

6.3.3 The District Council, in association with others, has also been successful in bidding for funding from the European Social Fund, which looks at ways of developing the workforce in sectors undergoing restructuring and industrial change.

6.3.4 The Council will continue to work in partnership with other bodies to deliver its strategy and to exploit further opportunities for funding. It will continue to provide support for businesses through Business Link Hertfordshire.

6.4 Supply of Employment Land

6.4.1 The County Structure Plan has not set targets for employment floorspace provision, due to recognised errors in forecasting. A target for employment floorspace provision has therefore not been given in this Local Plan, however, guidance on the likely future provision of employment floorspace is contained within the East Hertfordshire Employment Land Study 2004.

6.4.2 The Structure Plan has concluded that there is sufficient land and floorspace currently in employment use, together with the Key Employment Sites and other allocated employment land, such that no new land allocations are required. The Structure Plan directs such development to existing allocated employment areas, which are to be identified in local plans. The East Hertfordshire Employment Land Study 2004 identifies a long term requirement for office floorspace and this will be addressed as part of the future Local Development Framework. The Study recommended that the Council safeguard existing Employment Areas to meet demand for industrial and warehousing uses. The Study also identified a shortfall of supply of industrial and warehousing sites in Bishop's Stortford and this will also be addressed as part of the future Local Development Framework.

6. ECONOMIC DEVELOPMENT AND EMPLOYMENT

6.4.3 The Structure Plan housing requirement for 11,100 new dwellings in the District in the twenty-year period 1991-2011, together with the need to maximise the use of brownfield sites, will place considerable pressure on the identified Employment Areas to be used for residential development. However, it is important for the local economy and employment opportunities, that there is a sufficient supply of land for employment uses, located close to where people live, or accessible by passenger transport and other non-car means, to accord with the principles of sustainable development.

6.4.4 Employment land is identified in this Local Plan and comprises a number of existing areas distributed throughout the District. Some of these areas are currently under-utilised and the Council considers there is sufficient land available either through reuse or redevelopment in these areas to meet current employment floorspace requirements.

EDE1 Employment Areas

The District Council has identified Employment Areas which are reserved for industry, comprising Use Classes B1 (Business), B2 (General Industrial) and, where well related to the transport network, Class B8 (Storage or Distribution). These Employment Areas are listed in Part II of this Plan (Settlement Planning).

6.5 Mixed-Use Development

6.5.1 Government policy encourages the provision of mixed-use development, particularly in town centre locations or those well served by passenger transport. The characteristics of industry and commerce are constantly changing and many uses can now operate without causing unacceptable nuisance.

6.5.2 Some of the Employment Areas are suitable for mixed-use and are identified as such in Part II of this Plan (Settlement Planning). A development brief will be prepared or agreed for these sites, to ensure the differing uses are compatible, the quality of the environment is maintained or improved, and that a high standard of design is achieved.

6.5.3 The District Council is cognisant of environmental and amenity concerns regarding mixed-used developments. These will be taken into account when determining any applications for mixed-use development.

6.6 Stansted Airport

6.6.1 Growth in employment at Stansted Airport is related to increases in passenger throughput. Approval has been granted for the airport to expand to accommodate 25 million passengers per annum. Total employment is anticipated to rise to 16,000 jobs when development to 25 million passengers per annum is reached around 2011.

6.6.2 It continues to be the joint policy of Hertfordshire, Essex, Uttlesford and East Hertfordshire Councils to direct all airport-related employment generating developments onto the airport site. This Plan makes no provision of land to meet the employment needs of Stansted Airport. In accordance with Structure Plan Policy 37, all airport related employment generating development will be directed to the airport site. This includes development which will provide:

- (a) direct airport employment necessary for the running of the airport; and
- (b) airport associated employment related to the operation of the airport.

6.6.3 The definition of airport employment is summarised in the Annual Stansted Airport Monitor. It states that, 'Airport employment defined as 'direct' or 'associated' includes employment related to passenger handling, baggage handling, air transport movements, cargo, aircraft maintenance, general aviation, hotels, freight forwarding, car parking, car rental, and airline officers'

6.7 Employment Uses Outside Employment Areas

6.7.1 Small-scale industry and businesses provide local employment opportunities and broaden the base of the local economy. The District Council supports small businesses and starter enterprises.

6.ECONOMIC DEVELOPMENT AND EMPLOYMENT

6.7.2 The encouragement of small businesses is compatible with the main aims of the Local Plan to support sustainable development. Local employment can reduce travelling times and the environmental costs associated with commuting long distances. Working locally can also improve the quality of life of those involved.

6.7.3 Outside those sites identified specifically as Employment Areas, the District Council seeks, in general, to retain and encourage the continued use of both existing employment sites, or those that were last in employment use, for such purposes.

EDE2 Loss of Employment Sites

Outside the identified Employment Areas, development which would cause the loss of an existing employment site, or one that was last in employment use, will only be permitted subject to all the following criteria being met:

- (a) the retention of the site or premises for employment use has been explored fully without success, evidence of which must be provided;
- (b) the proposed use does not have a significant adverse impact on the amenity of the adjacent area or nearby occupiers; and
- (c) access, parking and servicing arrangements are satisfactory.

6.7.4 Outside the identified Employment Areas, and within the six main settlements in the District, and Category 1 and 2 Villages a specific site or building may be proposed for an employment use. The District Council will encourage such proposals, provided they are of an appropriate scale, environmentally acceptable and do not cause traffic or car parking problems.

EDE3 Employment Uses Outside Employment Areas

Outside identified Employment Areas but within the six main settlements (listed in Policy SD2) and the Category 1 and 2 Villages proposals for

employment use may be permitted, subject to all the following criteria being met:

- (a) the proposal would not result in the loss of satisfactory residential accommodation;
- (b) the proposal would not have a significant adverse impact on the amenity of nearby occupiers;
- (c) the site is capable of accommodating the proposal along with the necessary access, parking and servicing arrangements;
- (d) the proposal is of an appropriate scale; and
- (e) the proposal is environmentally acceptable.

6.8 Storage and Distribution Uses

6.8.1 Warehousing makes large demands in terms of land and the provision of buildings. The District Council considers that East Hertfordshire has severely limited environmental and infrastructural scope for satisfactorily accommodating new storage and distribution uses.

EDE4 Storage and Distribution Uses

Storage and Distribution developments will only be permitted:

- (a) On sites that are already in Storage and Distribution Use and which are well related to the transport network,
- OR
- (b) Within identified Employment Areas (in accordance with Policy EDE1).

6.ECONOMIC DEVELOPMENT AND EMPLOYMENT

6.9 The Rural Economy

6.9.1 Changes in agricultural practice and the economics of farming have resulted in the reduction in the numbers of people employed in agriculture and related industries, and in the number of profitable holdings. As a consequence, many of those engaged in agriculture are seeking additional and alternative sources of income. The reform of the Common Agricultural Policy and the introduction of the Rural Development Regulation have shifted the emphasis of Government and European Union policy away from market based intervention towards direct payments and rural development. Diversifying is seen as an important way of helping farmers maintain their incomes and investment in agriculture. It is promoted in the Rural Development Plan for England, which sets out the priorities for implementing the Rural Development Regulation through the award of grants.

6.9.2 The Council recognises that this diversification of the rural economy can be assisted by allowing the adaptation and re-use of existing buildings within the countryside for business, leisure, tourism, recreation, and other employment generating uses. Such uses may also help support village services. Nevertheless, the Council also places importance on safeguarding the character and appearance of the countryside and ensuring the openness of the Green Belt is maintained.

6.9.3 Proposals for the adaptation and re-use of agricultural and other non-domestic rural buildings for employment purposes will be considered in accordance with Policies GBC9 and GBC10, contained in the Chapter 4 (Green Belt and Countryside).

6.9.4 The reduction in the number of jobs on the land has consequently increased the need to travel to find work. When employment sites in villages have become redundant they have not always been re-used for employment purposes, thereby increasing the need to travel and affecting the vitality of these communities. Because of their scale and size these sites are frequently too small to be identified as Employment Areas in the

Local Plan. However, it is preferable that such sites are re-used for employment purposes within the villages.

6.10 Telecottages

6.10.1 The computer revolution has enabled rapid advancement in telecommunications and this has led to the development of telecottages. A telecottage is a local office facility in a rural location which usually provides a community based facility to assist access to work and technology. This has the potential to create many new jobs in the smaller towns and villages. In 1997, some 200 telecottages existed in the UK. PPG13 encourages the provision of workplaces, either at home or close to home, where small groups of people can work together.

6.10.2 The District Council wishes to support the provision of telecottages whether they be a community effort and/or for profit.

EDE5 Telecottages

Proposals for providing a telecottage may be permitted subject to all the following criteria being met:

- (a) there is appropriate off street parking, in accordance with Policy TR7;
- (b) there is safe and satisfactory vehicle access;
- (c) there will be no significant adverse impact on the amenity of residents in neighbouring properties; and
- (d) there would be no loss of satisfactory residential accommodation.

6.11 Home Working

6.11.1 Many small businesses and other non-residential uses are started by people working in their own homes, and technological innovations are likely to increase the incidence of home

6.ECONOMIC DEVELOPMENT AND EMPLOYMENT

working. Home working does not necessarily need planning permission, depending on the nature and scale of the operation. However, such uses can expand and cause considerable nuisance to neighbours.

EDE6 Home Working

Proposals for use of part of a dwelling for business purposes will be expected to ensure that the amenity of residents in neighbouring properties is not adversely affected.

6.12 Live/Work Units

6.12.1 Live/work units can provide a combination of living and workspace in a single accommodation unit (converted or new-build) and is one step further from homeworking. Live/work units can be particularly well suited to mixed use development schemes for this reason. For development control purposes live/work units are classed as sui generis and therefore any change of either aspect of the unit would require a new planning permission.

EDE7 Live/Work Units

Proposals for live/work units may be permitted subject to all the following criteria being met:

- (a) that a separate functional workspace is identifiable and where appropriate capable of accommodating the whole range of B1 uses;
- (b) where possible, the workspace element is provided at street level; and
- (c) there will be no significant adverse impact on the amenity of the adjoining area or nearby occupiers.

6.13 New Employment Development

6.13.1 All employment generating proposals must be built to a high standard of design and have adequate servicing and manoeuvring space, along with appropriate levels of car parking, cycle facilities and be accessible by passenger transport and other non-car modes of travel. A transport assessment will be required for employment

development, as set out in Chapter 5 (Transport), Section 5.9. The design, scale, siting and landscaping must respect the character and local distinctiveness of the area.

6.13.2 All proposals for employment uses will be tested against the policies contained in Chapter 2 (Sustainable Development). New development should take account of issues such as waste minimisation, recycling and reuse, energy efficiency, water conservation, and use of materials with a low impact on the environment. Planning conditions may be imposed and obligations sought to protect the amenities of the area and in order that the principles of sustainable development are met.

EDE8 New Employment Development

New employment development will be expected to:

- (a) be built to a high standard with the design, scale, siting, and landscaping respecting the character and local distinctiveness of the area;
- (b) have adequate servicing and manoeuvring space, along with appropriate levels of car and cycle parking; and
- (c) be accessible by passenger transport and other non-car modes of travel.