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Economic Development

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15.1 Introduction

- 15.1.1** East Herts is a district of fairly small towns and an extensive rural area. It lies between the A1(M) and the M11, with only the A10 running north-south and the A414 running east-west through the south of the district. East Herts is surrounded by the larger centres of Hatfield, Welwyn Garden City, Stevenage, Letchworth and Baldock, located along the A1(M) corridor. To the south and east there are the urban areas of Hoddesdon, Cheshunt and Harlow. Stansted Airport, a major centre of employment, lies just outside the district boundary to the north east of Bishop's Stortford.
- 15.1.2** This geography has a significant bearing on patterns of economic development. East Herts is not a self-contained economy and in economic terms it plays a supporting role in relation to the adjacent urban centres and Stansted Airport, particularly in terms of labour supply. It is home to many of the people who work in these adjacent towns (and the airport). As such, East Herts is part of a wider integrated labour and property market area covering much of Hertfordshire and part of Essex and north London. East Herts is an important part of this economic sub-region, but the district's business base is made up predominantly of small and medium sized firms, many of which will have links to companies in the sub-region, to London or with Stansted Airport.
- 15.1.3** It is necessary to acknowledge the role East Herts plays and to balance the desire to remain competitive and to provide new employment opportunities for the residents of the district within the limitations created by the physical constraints of each town and the wider economic geography.
- 15.1.4** East Herts is a prosperous district with higher than average earnings and relatively low unemployment, though the statistics disguise pockets of relative deprivation within the district. Educational attainment is generally very high, but there is a disparity between the wages of those who live and work within the district and those who live in East Herts but are employed outside the district in locations such as London and Cambridge. There is therefore a need to ensure there is a balance of employment opportunities available to residents and to ensure that the skills of the workforce (both school leavers and adults alike) are appropriate for the businesses within and beyond the district, and to provide support for entrepreneurialism, new and growing businesses.
- 15.1.5** Retail and leisure facilities, along with education and healthcare services also provide valuable sources of employment. Businesses located in or with good connections to a town centre for example can help to support these uses and can benefit from shared resources and good public transport connectivity. It is therefore important to encourage the retention of employment uses within towns and villages.

- 15.1.6** The economic landscape is, however, changing with the latest permitted development rights set out in The Town and Country Planning (General Permitted Development) (England) Order 2015. The Order is intended to increase housing supply by allowing change of use from some business uses to residential.
- 15.1.7** Not all changes of use will be permitted development. Some will be subject to a prior approval process which means that a developer has to seek approval from the local planning authority that specified elements of the development are acceptable before work can proceed. The matters for prior approval vary depending on the type of development and these are set out in full in the relevant parts in Schedule 2 to the Order.
- 15.1.8** There are also a range of exclusions which apply to permitted development rights. For instance, there are protected areas which include, for example, Conservation Areas. Some permitted development rights are also in place for a limited period of time; again, these are set out in full in the relevant sections in Schedule 2 to the Order.

Permitted development rights are set out in The Town and Country Planning (General Permitted Development) (England) Order 2015 at: www.legislation.gov.uk

- 15.1.9** Whilst acknowledging permitted development rights, the District Plan must also consider the longer term needs of the district's economy. Businesses have performed well in East Herts despite the economic recession and the Council therefore maintains that commercial and business units should be retained in appropriate locations in order to provide suitable accommodation for existing and emerging businesses and to facilitate sharing of services and supply chains. It is necessary to ensure that where office space is converted into residential units this does not result in isolated and unsustainable residential developments or prejudice the prospects of remaining neighbouring businesses.
- 15.1.10** The NPPF requires local authorities to do all they can to support sustainable economic growth and to plan proactively to meet the development needs of businesses. Policies should be flexible enough to accommodate needs not anticipated in the plan and to allow a rapid response to changes in economic circumstances. Authorities should identify priority areas for economic regeneration, infrastructure provision and environmental enhancement, and facilitate flexible working practices such as the integration of residential and commercial uses within the same unit.
- 15.1.11** This Chapter endorses and seeks to facilitate the Council's Economic Development Vision for East Herts, which goes beyond the policies of the District Plan. The Economic Development Vision contains six priorities summarised in Table 15.1 below:

Table 15.1: Economic Development Vision

Priority	Objective
A business friendly council	<i>We will ensure we are supporting businesses as 'customers' of council services as well as listening to the needs of the business community</i>
Enabling entrepreneurs and business start ups	<i>We will encourage wealth creation in the district and ensure businesses can access a wide range of locally sourced services</i>
Supporting the rural economy	<i>We will maximise investment into the rural economy and ensure it remains competitive</i>
Vibrant Town Centres	<i>We will ensure our town centres meet the needs and wants of our residents and visitors</i>
Supporting the visitor economy	<i>We want to raise the profile of local attractions and support businesses in their supply chain</i>
Lobbying for the right infrastructure	<i>We will work with key partners to ensure East Herts can support growth in the right places at the right times</i>

15.1.12 The Council will also continue to work alongside the Hertfordshire Local Enterprise Partnership and other national and local initiatives that seek to support and enhance the economy of East Herts.

15.2 Employment

15.2.1 The NPPF is clear that policies should avoid the long term protection of employment land where there is no reasonable prospect of a site being used for that purpose. The Council has produced a series of reports which identify the need to retain all designated Employment Areas for current and future requirements. Nevertheless, the policy approach is sufficiently flexible to respond to individual business needs within the remit of protecting and retaining land for employment purposes.

The Council's technical studies relating to employment and economic development can be viewed and downloaded from the Council's Website at:

www.eastherts.gov.uk/evidencebase

15.2.2 While a large proportion of the district's employment generating uses and B-Class businesses are located in designated Employment Areas, there are many small, independent traders and businesses located across the district either in small clusters or isolated units. These businesses are well located for the service they deliver

whilst providing valuable sources of local employment in a variety of businesses. Therefore the Council seeks, in general, to retain and encourage their continued use and if necessary, their replacement with alternative appropriate uses. On designated Employment Areas, evidence of marketing for a minimum period of twelve months will be required. For non-designated sites, normally a minimum period of six months is requested, though each case will be determined on its merits in discussion with the Development Management Team.

- 15.2.3** Evidence also shows that a significant proportion of employment generating uses are actually in the retail and service industries and would not necessarily locate in employment areas. In addition, there is a growing trend towards self-employment and more flexible working patterns including working from home. To facilitate this flexible approach to working, it is important that access to high-speed broadband technology is available along with the ability to access office space where necessary. Part of the district's business offer could be through the provision of business-hub facilities which provide meeting rooms, office equipment and function room services for hire and for drop-in purposes. Such a facility should be in an accessible location and have sufficient parking provision in line with the Council's Vehicle Parking Provision at New Developments SPD.
- 15.2.4** The following policies relate to the district as a whole, where the provisions of the General Permitted Development (England) Order 2015 (as amended) do not apply. They set out the approach to designated and non-designated employment land and employment generating uses, which may include uses not within the traditional employment Use Classes B1 (Business), B2 (General Industrial) and B8 (Storage and Distribution). Policies on retail and commercial uses are contained in Chapter 16 (Retail and Town Centres). Policies related to employment, retail or commercial uses relevant to specific settlements are included in the appropriate settlement chapter.

Policy ED1 Employment

I. Within designated Employment Areas (as defined on the Policies Map), land is allocated for industry, comprising Use Classes B1 (Business), B2 (General Industrial) and where well related to the primary road network, B8 (Storage and Distribution).

II. The provision of new employment uses will be supported in principle, where they are in a suitable location where access can be achieved by a choice of sustainable transport and do not conflict with other policies within this Plan. New employment floorspace should be of a flexible design, able to respond to the changing needs of small and growing enterprises, be energy efficient in construction and operation (in accordance with the Council's Design and Landscape, and Climate Change policies in Chapters 17 and 22) and have fully integrated communications technology, in line with Policy ED3 Communications Infrastructure.

III. Development which would cause the loss of an existing designated Employment Area, or a site/premises which is currently, or was last, in employment use (Classes B1, B2, B8 or related Sui Generis), will only be permitted where all the following criteria are met:

(a) The retention of the site or premises for Use Classes B1, B2 and B8 has been fully explored without success. This should also consider whether improvements to the existing site/premises would make it more attractive to alternative B1, B2 or B8 uses. The applicant will be expected to undertake discussions with officers as to the potential for and suitability of alternative uses. Evidence of a period of marketing of at least 12 months must be provided. For a non-designated employment area, a proportionate approach should be taken;

(b) The retention of the B1, B2 or B8 use is unable to be facilitated by the partial conversion to a non-employment generating use; and

(c) The proposal does not prejudice the continued viability of existing Employment Areas and neighbouring uses and existing operational employment sites and neighbouring uses.

IV. The Mill Site in Bishop's Stortford will remain as a designated Employment Area until such time that the land is presented as being available for redevelopment. The site will then be subject to the provisions of Policy BISH10 and should be brought forward for redevelopment as part of a comprehensive masterplan.

15.3 Rural Economy

15.3.1 East Herts has the most significant rural economic profile in the county, with more than 400 agricultural holdings occupying more than 34,000 hectares. Many of these businesses have diversified and have a second income stream. Some diversification schemes, such as those that create visitor attractions, result in the intensification of the rural area but can also act as a means of connecting visitors to the countryside, thereby supporting rural jobs and skills.

15.3.2 Employment areas within the rural area have a key role to play in providing accessible and affordable employment and business opportunities. It is important to balance the need to retain these vital rural employment locations with the need to protect the amenity of the locality. Changes to Permitted Development legislation affecting buildings in the rural area have the potential to significantly affect rural districts like East Herts. However, some Permitted Development changes are temporary and are subject to change. It is therefore vital that the Council takes a long term approach and seeks a high standard of development that is appropriate to its setting.

- 15.3.3** Hertfordshire has a rich tradition of providing food for London and food production is a key element of the rural economy. Local food production not only reduces food miles (distance between place of production and consumption), but it also provides food security and local employment. New technology increases productivity, efficiency and diversity of produce, including those used in the pharmaceutical and bio-science industry. The Lea Valley has the highest concentration of glasshouses in the country providing produce for local, national and international consumption. It is therefore important that this area of agricultural heritage is protected and enhanced where appropriate. The Council is supportive of initiatives which support food production industries where they are in line with other District Plan policies.
- 15.3.4** Agricultural buildings within the rural area are often of historic merit and the conversion of such buildings should be undertaken with care in order to protect the historic and visual quality of the building and its setting. In most cases, agricultural buildings would be considered in relation to the farm house, most of which, if they are of historic merit would already be designated in some way. Where there is no designation, an assessment will be made in relation to the Heritage policies in Chapter 21 and other policies in this Plan. The Council will expect such proposals to take into account Historic England's Best Practice Guidelines for Adaptive Reuse.

Historic England's guidelines for 'Adapting Traditional Farm Buildings: best practice guidelines for adaptive reuse' can be viewed and downloaded at:

www.historicengland.org.uk/images-books/publications/adapting-traditional-farm-buildings/

Policy ED2 Rural Economy

I. In order to support sustainable economic growth in rural areas and to prevent the loss of vital sources of rural employment, proposals that create new employment generating uses or support the sustainable growth and expansion of existing businesses in the rural area will be supported in principle where they are appropriately and sustainably located and do not conflict with other policies within this Plan.

II. Proposals that consist of a change of use of agricultural or employment generating use in the rural area to other employment generating uses will be supported in principle subject to other policies within this Plan.

III. Where the proposal results in the loss of an agricultural or employment use in a rural area or a change of use to a non-employment generating use, evidence will be required to demonstrate that:

- (a) the current agricultural or employment use is no longer needed or viable;
- (b) that improvements to the site/premises would not make alternative employment generating uses viable;

(c) the retention of the employment generating use is unable to be facilitated by the partial conversion to a non-employment generating use;

(d) the building is of permanent and substantial construction.

IV. Proposals for the diversification of farms will be supported in principle where:

(a) they secure the viability of the agricultural practice of the farm;

(b) they contribute to the maintenance of biodiversity or landscape interests;

(c) they support the engagement of communities with land management, food production and rural crafts and the development of local produce markets;

(d) the diversification remains a subsidiary of the overall agricultural activity of the holding;

(e) any resultant retail or commercial use does not have an adverse impact on the viability of existing nearby rural or village shops or community facilities.

15.4 Communications Infrastructure and Flexible Working Practices

Communications Infrastructure

15.4.1 With the development of new information technology such as broadband internet, smart phones and Wi-Fi connectivity, working behaviour is changing with individuals and businesses working in more flexible ways. Recent trends indicate a growing popularity of and propensity for flexible working patterns and working from home. It is important that new residential properties are designed in a way that enables households to work from home either occasionally or on a full-time basis. It is vital that communications infrastructure is provided as a fully integrated part of new residential and commercial premises, particularly in more rural locations.

Policy ED3 Communications Infrastructure

The provision or expansion of electronic communications networks, including high-speed broadband is supported in principle subject to the following:

(a) Where providing new infrastructure, such equipment is fully integrated into the design and is available from the start of occupation;

(b) That masts and visible structures are kept to the minimum required for the efficient operation of the network. Providers should justify the need for new structures, having fully explored the multiple-use of existing structures;

(c) Where new structures are required, equipment should be sympathetically and appropriately located, designed and camouflaged where possible, in order to respect the character and amenity of existing developments and occupiers. Providers will be expected to undertake appropriate consultations prior to seeking permission or prior approval;

(d) Providers should present evidence that the infrastructure will not cause significant and irremediable interference with other electrical equipment, air traffic services or instrumentation operated in the national interest;

(e) Providers should consider the possibility of new buildings or other structures interfering with broadcast and telecommunications services; and

(f) Proposals should meet the International Commission guidelines (or as amended) for public exposure and operations.

Flexible Working Practices

15.4.2 The NPPF supports flexible working practices such as the integration of residential and commercial uses within the same unit, in a way that goes beyond homeworking. Buildings can be designed in ways which facilitate the sharing and division of space for residential and business uses. The way these units operate will be different to those of wholly residential properties and will therefore need to ensure no harm is caused to the amenity of neighbouring uses. Conditions can be used to maintain a level of control over the types, occupation, intensity and operating times of business uses. For Development Management purposes, live/work units are classed as sui generis uses and therefore any change to either part of the property will require planning permission.

15.4.3 The provision of such units should be part of a wider mix of residential and other uses within a development.

Policy ED4 Flexible Working Practices

I. Proposals for the use of part of a dwelling for small-scale business purposes will be supported in principle provided:

(a) that the premises has sufficient parking for all uses in line with the Council's Vehicle Parking in New Developments SPD; and

(b) that the amenity of neighbouring properties is not adversely affected.

II. Proposals for live/work units will be supported in principle in sustainable locations subject to the following:

(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.

III. Where permission for live/work units is granted, the residential occupancy will be restricted by condition to ensure that it is occupied by a person or persons employed in the business carried out in the premises. The following conditions shall also be applied:

- (a) The business floorspace of the live/work unit shall be finished ready for occupation before the residential floorspace is occupied and the residential use shall not precede commencement of the business use;
- (b) The business floorspace of the live/work unit shall not be used for any purpose other than for purposes within Class [B1] in the Schedule to the Town and Country Planning (Use Classes) Order 1987, or in any provision equivalent to that Class in any statutory instrument revoking and re-enacting that Order with or without modification;

15.5 Tourism

15.5.1 The tourism industry and visitors to the district play a vital role in the East Herts economy, creating jobs and contributing to the maintenance of facilities. Tourism in East Herts is a by-product of the high quality environment of its countryside and historic market towns, along with its locational advantages and proximity to Stansted Airport, rather than something that can be effectively planned for. It is therefore important that the provision of facilities which cater for the needs of visitors do not detract or harm the very environment that attracts them.

Policy ED5 Tourism

I. New tourism enterprises and extensions to existing tourism enterprises will be supported in principle where the facility meets identified needs which are not met by existing facilities, are appropriately located and do not conflict with other policies within this Plan.

II. Water-based facilities and developments within environmentally sensitive locations will be required to provide evidence that no harm will occur to the quality of the environment and the health of the wildlife in line with the provisions of Policy CFLR4 (Water Based Recreation), Policy NE1 (International, National and Locally Designated Nature Conservation Sites) Policy NE3 (Species and Habitats) and NE4 (Green Infrastructure).

15.6 Lifelong Learning

- 15.6.1** It is vital that the educational needs of the district are met both at primary and secondary level, but also within higher education and adult learning opportunities, including apprenticeships. The University of Hertfordshire's main campus is located in the nearby town of Hatfield. The University also has a campus based at Bayfordbury, near Hertford, which specialises in ecological and astronomical research. It is home to the Bayfordbury Observatory and hosts an extensive outreach programme for the general public and local schools, hosting regular public open evenings. The campus participates in internationally important research and is a significant contributor to the local economy.
- 15.6.2** Harlow College offers vocational courses and the Hertford Regional College has campuses both within Ware and the neighbouring town of Turnford in Broxbourne Borough, specialising in vocational courses. There are also active adult learning partnerships between secondary schools which offer school-leaver and adult learning opportunities. The Council's Economic Development Vision seeks to engage with these educational facilities, to support the development of further education opportunities and to foster entrepreneurialism and the development and growth of new businesses within the district.

The Council's Economic Development Vision can be viewed and downloaded at:

www.eastherts.gov.uk/article/35676/Business-Support-Advice

- 15.6.3** In order to provide opportunities for those leaving education, and to support the creation of new businesses and entrepreneurialism in general, the Council will support in principle the creation of incubation units; small, flexible units designed for start-up and growing businesses as part of new employment space across the district.

Policy ED6 Lifelong Learning

The provision of new educational establishments which support a range of learning and community needs such as further education and opportunities for lifelong learning will be supported in principle in line with Policy CFLR10 (Education).

