

EAST HERTS COUNCIL

DISTRICT PLANNING EXECUTIVE PANEL - 28 NOVEMBER 2012
EXECUTIVE – 4 DECEMBER 2012

REPORT OF EXECUTIVE MEMBER FOR STRATEGIC PLANNING
AND TRANSPORT

EAST HERTS EMPLOYMENT FORECASTS AND STRATEGIC
ECONOMIC DEVELOPMENT ADVICE (OCTOBER 2012)

WARDS AFFECTED: ALL

Purpose/Summary of Report

- This report presents technical advice prepared for the Council by DTZ containing employment forecasts and strategic advice on planning for economic development in the district. The report considers the future pattern of employment growth in East Herts and the surrounding area in order to inform the preparation of the East Herts District Plan: Part 1 – Strategy.

RECOMMENDATION FOR DISTRICT PLANNING EXECUTIVE PANEL
AND EXECUTIVE: That:

(A)	The Employment Forecasts and Strategic Economic Development Advice (October 2012) be supported and published as technical advice, forming part of the evidence base to inform and support the East Herts District Plan.
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RECOMMENDATION FOR COUNCIL: That:

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1.0 Background

1.1 The National Planning Policy Framework (NPPF) requires Local Planning Authorities to make rapid progress with plans to identify more land for future development. To achieve this goal, it includes important requirements including the Presumption in Favour of Sustainable Development (Paragraph 14), the Duty-to-Co-operate (Paragraphs 178), and the requirement for ‘soundness’ at

Examination including meeting 'objectively assessed needs' (Paragraph 182).

- 1.2 Part of assessing the objectively assessed needs of the District is the need to determine an appropriate approach to economic development as well as residential needs. As such, the Council commissioned DTZ to provide advice on economic development matters to inform the preparation of the District Plan. The result of this work is presented in this report.
- 1.3 East Herts is not a self contained economy. It is part of a sub-region with a number of urban centres, each important centres of employment in their own right. In economic terms East Herts plays a supporting role in relation to adjacent centres and Stansted Airport. Despite this however, East Herts has a relatively low level of unemployment and benefits from attractive centres and high levels of skilled employees.
- 1.4 The report takes commonly used employment forecast figures and appraises these in the context of East Herts' economic geography and role within the economic sub-region. It suggests a cautionary approach to these forecasts and provides a more realistic picture of East Herts' economic prospects and needs over the plan period. The report also provides advice regarding the pattern of employment growth across the District in terms of where employers are likely to want to locate and hence where jobs will need to be located. It highlights Bishop's Stortford as the best location for new employment land, benefiting from access to the M11 and Stansted Airport.
- 1.5 This report therefore seeks Council agreement to accept the findings of the strategic advice to inform and support the preparation of the East Herts District Plan.
- 2.0 Report
- 2.1 The Executive Summary of the East Herts Employment Forecasts and Strategic Economic Development Advice is provided at **Essential Reference Paper 'B'**. A copy of the full report can be found at www.eastherts.gov.uk/economic-advice
- 2.2 Prepared in seven sections, the report addresses a wide range of issues designed to inform decision making regarding the overall spatial strategy, with Section 1 setting the objectives and context of the report.

- 2.3 Section 2 describes the structure and character of the sub-region within which East Herts is located, and identifies the role that the towns and villages of the District play in this sub-regional economy.
- 2.4 Section 3 sets out the published forecasts of jobs growth in East Herts and the surrounding authorities to the year 2031. The East of England Forecasting Model (EEFM) is a commonly used model in the East of England region which suggests East Herts should plan for an additional 9,700 jobs forecast for the District to 2031. The report comments on these forecasts, paying particular attention to the limitations of employment forecasting at the individual district level.
- 2.5 Section 4 discusses a number of key trends that are shaping the patterns of job creation in terms of the type of jobs that are created and the spatial distribution of jobs. The report discusses changes in demand for different types of locations such as town centres or business parks for example. It looks at the effects of clusters in particular industries and discusses the potential impacts of changing work patterns and use of space. It also discusses the changing role of retail centres and the impact of Internet-based retail.
- 2.6 Section 5 examines the major employment sites in the local authority districts surrounding East Herts and the impact their proximity has, such as being well placed to capture a significant share of jobs growth interest.
- 2.7 Section 6 discusses the likely pattern of demand for employment land in the District and comments on issues that are specific to East Herts. It suggests a two-fold strategy for planning for future employment needs:
- Retention of existing major employers and supporting and enabling the growth of small and medium sized enterprises that have a particular local connection. Local connection may simply be associated with key decision makers and staff being local residents or because a firm has strong business linkages or historic associations with East Herts or within the sub-region.
 - Capitalising on the growth of specialist businesses in London and in the M25, A1(M) and M11 corridors, by catering for businesses that need to be in the sub-region, but do not need

or want to be in the major employment centres. The key attraction of East Herts to such businesses is likely to be the quality of environment and lifestyle associated with living and working in East Herts.

2.8 Section 7 presents the conclusions of the study and specifically comments on the options for the distribution of planned new homes from an economic development perspective.

3.0 Implications/Consultations

3.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'**.

Background Papers

East Herts Employment Forecasts and Strategic Economic Development Advice (DTZ Consultants, October 2012):

www.eastherts.gov.uk/economic-advice

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