

The Local Economy of Uttlesford

Developing an evidence base to inform the new
Local Plan

Working Paper A: Literature Review – DRAFT

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1. Introduction

Aim

- 1.1** This Working Paper seeks to understand the wider context surrounding the local economy of Uttlesford. To achieve this aim, a review of key policy and strategy documents was conducted. These included documents specific to Uttlesford, but also to the wider geographies of Essex, Greater Cambridge and South East LEP (Table 1-1).

Table 1-1: Documents Reviewed

Geography	
Uttlesford	<ul style="list-style-type: none"> • AECOM (2016) - <i>Uttlesford District Employment Land Review Update</i> • Savills (2018) <i>Uttlesford Retail Study Update</i> • Uttlesford District Council (2018) <i>Uttlesford Economic Development Strategy and Action Plan 2018-21. 'Supporting Sustainable Business Growth'</i> • Uttlesford District Council (2020) <i>Uttlesford Economic Recovery Plan</i> • The Planning Inspectorate (May 2021) <i>Appeal Decision Regarding London Stansted Airport, Essex</i>
Essex	<ul style="list-style-type: none"> • North Essex Economic Board (2019) <i>North Essex Economic Strategy</i> • Essex County Council and Success Essex (2020) - <i>The Essex Prosperity and Productivity Plan</i> • Essex County Council (2021) <i>Financial Wellbeing: Sector and Resident Types</i>
Greater Cambridge	<ul style="list-style-type: none"> • South Cambridgeshire District Council and Cambridge City Council (2020) <i>Greater Cambridge Employment Land & Economic Development Evidence Study</i>
South East LEP	<ul style="list-style-type: none"> • South East Local Enterprise Partnership (2021) <i>SELEP Skills Strategy 2018-2023</i> • South East Local Enterprise Partnership (2021) <i>Working Together for a Faster, Smarter and More Sustainable Economic Recovery. Economic Recovery and Renewal Strategy</i>

- 1.2** This Working Paper is structured to provide responses to the principal issues outlined in the brief. It is divided into five further chapters:
- Chapter 2: Employment Land Growth Projections
 - Chapter 3: Key Sectors
 - Chapter 4: Stansted Airport
 - Chapter 5: Impact of Covid-19 and Recovery
 - Chapter 6: Challenges and Opportunities

2. Employment Land Growth Projections

Summary of evidence

- 2.1** We have reviewed two studies which have considered issues relating to employment land across Uttlesford. These are technical studies and have informed iterations to the Local Plan. They need to feed into the current study. Reflecting on the changing picture since 2011, Aecom (2016) comments on the constrained supply of employment land and the need to plan for significant growth across all Use Classes. The study by Savills is focused on retail provision. It identifies need for additional provision in Saffron Walden, but elsewhere there is either no capacity or no requirement for additional provision. It is worth noting that the studies predate the pandemic. Given the effects of the pandemic on retail and town centres, the analysis completed by Savills may therefore be out of date.
- 2.2** A third study by Hardisty Jones Associates - *Ensuring Robust Employment Evidence for The Uttlesford Local Plan (2018)* – was initially included in the evidence base. The focus of the study is three proposed Garden Communities in Uttlesford (North Uttlesford, Easton Park and West of Braintree) and the possible employment provision associated with these. However, the 2020 Inspector’s Report into the examination of the Uttlesford Local Plan concluded that there was not sufficient evidence to demonstrate that the Garden Communities were justified, and thus the planning Inspectors recommended that Essex Council withdraw the Local Plan for examination¹. As a result, any work that was done previously relating to the Garden Communities is no longer relevant to the current study, and as such the Hardisty Jones Associates has been taken out of the evidence base.

Review of relevant strategies and reports

AECOM (2016) Uttlesford District Employment Land Review Update

- 2.3** This Employment Land Review (ELR) update assesses the quantity and quality of Uttlesford’s employment land and forecasts future land and floorspace requirements. The review builds upon and the findings of the ELR undertaken in 2011. For the purposes of the study employment land and premises are defined as commercial and industrial uses falling into use class orders B1a/b/c, B2 and B8.
- 2.4** The ELR identifies that the current supply of employment land within the District is tightly constrained and that there is a need to plan to accommodate growth for the local office market, manufacturing and warehousing land.
- 2.5** Drawing on the East of England Forecasting Model (EEFM), the ELR provides a projection of future floorspace demand by use class as the most sustainable indicator of future need. The forecast concludes that over the local plan period demand for office floorspace in Uttlesford

¹ Crosby, Inspector L., Worthington, Inspector E., (2020) *Letter to Stephen Miles (Planning Policy Team Leader at Uttlesford District Council) re Examination of the Uttlesford Local Plan*, 10th January 2020

is likely to increase by between 7,900sqm and 13,700sqm, whilst demand for warehousing is likely to increase by between 6,200sqm and 21,900sqm. The demand for manufacturing floorspace is anticipated to decrease by between -8,900sqm and -13,300sqm.

- 2.6** The forecast for office floorspace calculates an additional net requirement of between 10,600sqm and 16,800sqm in Uttlesford District up to 2031. The most likely scenario is an additional requirement for 16,600sqm. This equates to an average increase of 1,100sqm per annum over the plan period. To meet this demand the ELR states that Uttlesford District Council should support the provision and retention of existing office space across the District and promote the provision of new office space within suitable locations, such as the town centres of Saffron Walden and Great Dunmow, and sites located within or in proximity to other large villages in Uttlesford.
- 2.7** The forecast for industrial land (manufacturing and warehousing) calculates that there is a deficit of employment land in the District in the region of between 13.6ha and 18.2 ha. The most likely scenario is an additional requirement for 18.0ha of industrial land over the period to 2031. To support this, the ELR states that the Council should prioritise the development of employment clusters which are currently functioning well as employment locations but have vacant land, land with derelict buildings or have underutilised land and premises.

Savills (2018) Uttlesford Retail Study Update

- 2.8** This publication examines the capacity for retail development in Uttlesford District over the period 2016 to 2033. With regards to methodology, the study examines retail capacity on a constant market share basis – i.e. that shopping patterns identified by a household survey of 1,000 individuals living in Uttlesford are maintained through to 2033.
- 2.9** The headline findings relating to each of the main towns are detailed below:
- Saffron Walden – there is a need for additional floorspace in Saffron Walden, this equates to a requirement of 3,410 m² net in 2026 and 4,537 m² net by 2033.
 - Great Dunmow – there is no need for additional comparison floorspace in Great Dunmow and no requirement to allocate land for development during the plan period.
 - Stansted Mountfitchet – there is no capacity for additional non-food retail development in Stansted Mountfitchet over the plan period
 - Thaxted – there is no capacity for additional non-food retail development in Thaxted over the plan period

3. Key Sectors

Summary of evidence

- 3.1** We reviewed one report which considered evidence relating to key sectors in Uttlesford. It is important to note that this predated the pandemic. This emphasised the importance of the visitor economy; rural economy; and life sciences, research and innovation. The visitor economy in particular is likely to have been adversely affected by the pandemic.
- 3.2** It is notable that there is no reference in the analysis to the importance of, or prospects for, the aviation sector and its supply chain. On the face of it, this appears to be an omission.
- 3.3** From our analysis of CE's most recent projections and also our review of BRES data, the choice of sectors appears broadly appropriate – although there is a case for adding in aviation (and related activities), construction and (possibly) IT services.

Review of relevant strategies and reports

Uttlesford District Council (2018) Uttlesford Economic Development Strategy and Action Plan 2018-21. 'Supporting Sustainable Business Growth'

- 3.4** The Uttlesford Economic Development Strategy and Action Plan for 2018 to 2021 identifies and supports the expansion of three key sectors in Uttlesford: Visitor Economy; Rural Economy; and Life Sciences, Research and Innovation. More detail pertaining to these sectors is provided below.

The Visitor Economy

- 3.5** The visitor economy is the second most important income strand for Uttlesford after retail spending and is made up of:
- Visitors – for leisure and business and for day and overnight stays
 - Core supply chain – comprising accommodation, attractions, bars and restaurants
 - Related supply chain – retail, transport and other services such as food suppliers
- 3.6** In addition to the town centres and villages, the district contains a number of visitor attractions of both regional and national importance. These include: Saffron Hall, Audley End House, Bridge End Gardens, Fry Art Gallery, Audley End Railway, St Mary the Virgin Parish Church, Saffron Walden Museum, Priors' Hall Barn, Gardens of Easton Lodge, Great Dunmow Maltings, Mountfitchet Castle and Toy Museum, St Mary's Church Stansted, Hatfield Forest, Thaxted Morris Festival, Dunmow Flich, St Botolph's Saxon Church, Hadstock and Chickney St Mary's.

Rural Economy

- 3.7** Approximately 97% of the land in the Uttlesford District is agricultural land, and it is mostly arable. Farming remains an important part of the rural economy, although in recent years there has been a degree of diversification into new areas of activity.
- 3.8** The Economic Development Strategy and Action Plan states that the development of Uttlesford rural economy is integral to sustainable business growth, maximising the opportunities for residents to work near to where they live. Furthermore, looking ahead there may be opportunities for links with other target sectors: for example some businesses in the life science sector such as wormeries might opt for a rural location for their operations, as opposed to the centre of a research park.
- 3.9** The Economic Development Strategy and Action Plan highlights that in recent years many redundant farm buildings have been converted into residential properties, making considerably more profit from the conversion than they would have done if the building had been converted to business use.

Life Sciences, Research and Innovation

- 3.10** A key local economic driver in Uttlesford is Chesterford Research Park. Located in the north of the District, Chesterford Research Park provides laboratory and office space for biotechnology, pharmaceutical and technology R&D companies. Current occupiers include AstraZeneca, Cambridge Epigenetix, Microbiotica and Oxford Nanopore Technologies².
- 3.11** Chesterford Research Park is working closely with Granta Park, Babraham Research Park and the Wellcome Trust Sanger Institute as part of the South East Cambridge Cluster. This reflects the growth of the life science and research and innovation sectors within Cambridge and the wider area.
- 3.12** The Uttlesford District Employment Land Review Update discussed above states that the Council should support the continued expansion of Chesterford Research Park for research and development uses in accordance with the approved masterplan for around 900,000 sq ft of laboratory and R&D space (approximately 300,000 sq ft of space is already occupied).

² <https://www.chesterfordresearchpark.com>

4. Stansted Airport

Summary of Evidence

- 4.1** Stansted Airport is identified as a major economic driver – although existing analyses pre-date the pandemic. Within the literature, opportunities for increased freight operations and more medium and long haul passenger flights were specifically identified; investment plans were described; and the Airport’s economic footprint (accounting for 12,000 jobs) was articulated. In May 2021, the Airport was granted planning permission for airfield works that will enable combined airfield operations of 274,000 aircraft movements and a throughput of 43 million terminal passengers in a 12-month calendar period. The extent to which these plans and ambitions will survive the pandemic will need to be assessed in planning for Uttlesford’s future growth.

Review of relevant strategies and research

AECOM (2016) Uttlesford District Employment Land Review

- 4.2** The main driver of economic linkages between Stansted Airport and employment land elsewhere in Uttlesford District is through logistics operations. Intelligence gathered through consultations as part of the ELR indicates that the airport handles approximately 230,000 to 240,000 tonnes of cargo per annum, and that the airport has the capacity to double this to 400,000 tonnes per annum.
- 4.3** However, there are two interrelated factors that constrain the growth of freight operations at the airport: low-cost airlines and night noise restrictions. The majority of passenger airlines operating out of the airport tend to be low cost, and as such have a lesser propensity to carry freight in the lower deck of the aircrafts (referred to as ‘belly freight’). As a result, cargo is carried on dedicated flights which often use older and noisier aircrafts and fly at off peak times. This is problematic as night noise restrictions are in place surrounding Stansted Airport.
- 4.4** It is expected that Stansted Airport will diversify its offer to include more medium and long-haul flights to a greater number of destinations. Consultation reported on in the ELR signals growing interest in Stansted Airport’s freight and logistic operations, with the airport’s geographic connections to both London and the East Midlands cited as making the airport an attractive offering for potential operators. As the Airport’s cargo offering increases opportunities may arise for an increase in freight and logistics operations and supply chain linkages with the rest of Uttlesford.

Uttlesford District Council (2018) *Uttlesford Economic Development Strategy and Action Plan 2018-21. 'Supporting Sustainable Business Growth'*

- 4.5** Stansted Airport is located in the south of Uttlesford District and is a regional economic driver. It is the primary airport for the East of England, the third largest freight airport behind Heathrow and East Midlands, and the fourth busiest airport in the UK by passenger numbers. It is also the largest single employment site in the East of England - in 2018 Stansted Airport employed approximately 12,000 people across 220 companies – and a report by Oxford Economics estimated that a substantial proportion of the airport's workforce (18.3%) also reside in Uttlesford, capturing a cumulative £39.7m in wages³.
- 4.6** In 2018 Manchester Airport Group, which owns and operates the airport, outlined plans for £500 million investment over five years. The plans included three priority actions:
- Construction of a new Arrivals terminal
 - Reconfiguration of an existing terminal to become a departures terminal
 - Development of a new technical and professional skills college on site. *The Stansted Airport College (operated in conjunction with Harlow College) opened in September 2018.*

The Planning Inspectorate (May 2021) *Appeal Decision Regarding London Stansted Airport, Essex*

- 4.7** In February 2018 Stansted Airport Limited submitted a planning application to Uttlesford District Council for airfield works comprising two new taxiway links to the existing runway, six additional remote aircraft stands, and three additional aircraft stands to enable combined airfield operations of 274,000 aircraft movements and a throughput of 43 million terminal passengers, in a 12-month calendar period. The application was refused by Uttlesford District Council in January 2020. Following the refusal, Stansted Airport Limited appealed against the decision, and in May 2021 the appeal was allowed by the Planning Inspectorate and planning permission was granted for the proposed airfield works.

³ Oxford Economics (2013) *Economic Impact of Stansted Scenarios*

5. Impact of Covid-19 and Recovery

Summary of Evidence

- 5.1** The pandemic has precipitated a substantial economic shock and the scale of this is set out in some of the literature we reviewed. However the evidence and data mostly related to the uptake of government schemes and there is, as yet, little evidence of wider impacts – and no consideration of the long term effects on key sectors like aviation and the visitor economy.
- 5.2** Uttlesford District Council and SELEP have both developed recovery strategies and plans.

Review of relevant strategies and research

Essex County Council (2021) Financial Wellbeing: Sector and Resident Types

- 5.3** This document presents data on the impact of the Covid-19 pandemic on sectors and resident types in Essex. The document also includes a break down of data by district; headline findings relating to Uttlesford and detailed below:
- Uttlesford had the lowest rate of Self-Employment Income Support Scheme (SEISS) claims in Essex
 - Across the county, female employees have been most impacted by furlough, accounting for 55% of people using the scheme. This is due to women having greater representation in some of industries most affected by Covid – such as retail and hospitality. Alongside Epping, Braintree and Maldon, Uttlesford is one of the districts cited as having a slightly higher proportion of women on the furlough scheme compared to other areas (female take up rate of 18%).
 - The top three sectors in Essex most affected by SEISS Claims have been Construction, Transport and Storage and the Other Services Sector. With regards to Transport and Storage, employment levels in this sector in Uttlesford are forecast to experience the greatest drop between 2019 and 2021, compared to other Districts in Essex. From 2021 onwards however growth in this sector is expected.
 - The top three sectors in Essex most affected by the Furlough Scheme have been Wholesale and Retail; Accommodation and Food; and Administrative and Support Services. With regards to Accommodation and Food, this sector experienced growth in employment prior to the pandemic but is expected to see a drop between 2020 and 2021. From 2022 onwards however growth in employment is forecast, with the fastest growth expected in Uttlesford, Colchester and Chelmsford.

- Young people aged 16-24 have been hardest hit by both unemployment and redundancy in the aftermath of the Covid-19 pandemic. Between March and May 2020 only Uttlesford and Chelmsford saw unemployment rates of less than 3% (1.96% and 2.8% respectively).

Uttlesford District Council (2020) Uttlesford Economic Recovery Plan

5.4 The Uttlesford Economic Recovery Plan highlights that some businesses in the District have been hit harder by the impact of the Covid-19 pandemic than others. These include:

- Businesses in town centres and in the retail, hospitality and personal services
- Businesses in the Visitor Economy and arts and entertainment venues and associated services
- London Stansted Airport and business in the aviation supply chain and transportation sector

5.5 The Economic Recovery Plan is organised around four work themes: business engagement and support; information, advice and guidance; skills and training; and creating jobs and inward investment. Examples of current/planned activities being pursued by Uttlesford District Council that fall under these work themes include:

- Installation of super / ultrafast broadband across the District
- Specific business support for the visitor economy and for airport based/related businesses
- Promotion of skills and training offers (including a logistics course targeted at young people offered at Stansted Airport College)
- Development of a business prospectus for potential investors in the UK Innovation Corridor
- Direct investment in town centres and Chesterford Research Park
- Research into specific sectors that offer business growth opportunities (Life Sciences, Green Economy, Rural Economy).

South East Local Enterprise Partnership (2021) Working Together for a Faster, Smarter and More Sustainable Economic Recovery. Economic Recovery and Renewal Strategy

5.6 The aim of the SELEP Economic Recovery and Renewal Strategy is to ensure the survival and stability of the SELEP economy in the short term, and to drive sustainable economic renewal and growth in the medium to long term. This will be achieved through a focus on four strategic priorities: Business Resilience and Growth; UK's Global Gateway; Communities for the Future; Coastal Catalyst.

5.7 SELEP commitments of most relevance to Uttlesford fall under the Business Resilience and Growth priority and include:

- Support R&D and innovation activities (including the adoption of new models, technologies and processes)
- Identify and address gaps in digital infrastructure and promote high quality digital infrastructure in all new developments (including the Garden Communities)
- Help to develop a highly skilled workforce that can meet the demands of industry (including supporting a bid for an Institute of Technology in logistics, automation, construction, health and life sciences in SELEP to grow the area's technical skills base)
- Facilitate business collaborations (for example by promoting opportunities to enable business to come together around R&D and product innovation)

6. Challenges and Opportunities

- 6.1** Several of the documents outlined challenges and opportunities being faced by Uttlesford. These are detailed below.

Challenges

Uttlesford District Council (2018) *The Uttlesford Economic Development Strategy and Action Plan 2018-2021 'Supporting Sustainable Business Growth'*

- 6.2** Roads in Uttlesford are often congested and public transport is limited in rural areas. This has resulted in a dependence on the car for travel, with 71% of journeys to work undertaken via this means.
- 6.3** In comparison to other districts in Essex, carbon dioxide emissions in Uttlesford are relatively high; this is exacerbated by the presence of the M11 motorway.
- 6.4** There is a lack of digital connectivity in many parts of the District, particularly in rural areas. This has the adverse effect of limiting opportunities of inward invest and can impinge on local businesses and their ability to compete.

AECOM (2016) - Uttlesford District Employment Land Review Update

- 6.5** Uttlesford experiences substantial out-commuting; in 2011 Uttlesford was a net supplier of labour to other local authorities; this could reflect a propensity to commute to other areas for work where earnings tend to be higher. The ELR outlines that net commuting is anticipated to increase in Uttlesford from 1,100 in 2016 to approximately 2,000 in 2031. This suggests that the District will become an increasingly larger exploiter of employees to other local authorities.
- 6.6** The ELR also highlights that the current supply of employment land within the District is tightly constrained.

Savills (2018) *Uttlesford Retail Study Update*

- 6.7** Although not unique to Uttlesford, town and village centres are facing challenges from out-of-town competition and the emergence of 'Special Forms of Trading' such as online retail and click and collect. This is in addition to experiencing a relatively slow recovery from the 2008/09 recession.

Essex County Council and Success Essex (2020) - The Essex Prosperity and Productivity Plan

- 6.8** Across Essex there is a general lack of 'grow-on' space. This presents a challenge to businesses once they have reached a stage at which they need to expand.

Opportunities

Uttlesford District Council (2018) The Uttlesford Economic Development Strategy and Action Plan 2018-2021 'Supporting Sustainable Business Growth'

- 6.9** The Uttlesford Economic Development Strategy and Action Plan identifies a series of opportunities for Uttlesford within the District, Essex, and the East of England.
- 6.10** Within the District, the plan highlights the opportunities presented by the development of the three Garden Communities at Easton Park, North Uttlesford and West of Braintree. These concern the design of the communities to support the development and implementation of smart technology solutions that improve quality of life, and increased support for new and existing businesses.
- 6.11** With regards to opportunities within Essex, the plan references the 'opportunity sectors' identified by the Essex Economic Commission (established to shape the economy of Greater Essex). These are identified as sectors destined for future growth and include:
- Advanced Manufacturing – associated with Chesterford Research Park and Stansted Airport in Uttlesford
 - Life Sciences and Healthcare – associated Chesterford Research Park
 - Logistics – associated with Stansted Airport
 - Low Carbon and Renewables – the report identifies a small sector strength in low carbon and renewables in Uttlesford; in light of climate change and the Government's policy to reduce emissions this sector will only increase in importance moving forward.
- 6.12** Within the East of England, the plan discusses the location of Uttlesford within the London Stansted Cambridge Corridor. The Corridor is Europe's leading life sciences cluster and is built upon 37 key research institutes and anchored by key assets such as Cambridge University. The Corridor provides a national innovation and knowledge hub, driving UK growth and economic dynamism. According to the final report of the London Stansted Cambridge Consortium Growth Commission, the number of jobs in the Corridor increased at more than twice the national rate in the 10 years prior to the publication of the report in 2016.

AECOM (2016) - Uttlesford District Employment Land Review Update

- 6.13** Following the move of AstraZeneca’s global headquarters to Cambridge in 2016, Public Health England will be moving their operations to Harlow over the coming years. This will help cement the role of the London Stansted Cambridge Corridor in the UK and globally and provide opportunities for life science businesses in Uttlesford.
- 6.14** There are also opportunities for businesses in the Visitor Economy: due to the District’s proximity to Cambridge and London, and in light of the accelerating ‘staycation trend’, there are opportunities for Uttlesford to attract more visitors.
- 6.15** In addition, the ELR highlights the potential of the Essex and Hertfordshire Digital Innovation Zone to put West Essex and East Hertfordshire on the map as the best place for digital innovation in the UK outside of London.

Essex County Council and Success Essex (2020) - The Essex Prosperity and Productivity Plan

- 6.16** With the growth of remote and flexible working, opportunities for ‘part-time’ commuting from locations further afield from traditional employment hubs in cities such as London are likely to increase. This has the potential to enhance the attractiveness of Essex, and therefore districts like Uttlesford, as residential bases.



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About us

SQW Group

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SQW

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