



Commercial Workspace Study

Uttlesford District Council



Final Report

June 2015

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EXECUTIVE SUMMARY

Introduction

- i) This Commercial Workspace Study has been prepared for Uttlesford District Council to provide insight into the supply and demand for commercial workspace in Uttlesford over the next five years.
- ii) The objectives of the study, as stated in the brief (7th October 2014) are to:

“Identify the existing and potential demand in commercial workspace from:

- *Uttlesford based businesses*
- *Sectors that the District could attract or attract more of*

Identify any existing and forecast gaps in the supply of commercial workspace.

Where any gaps exist identify and evaluate options for filling them within the District.”

Methodology

- iii) The approach undertaken in preparing this Commercial Workspace Study involved primary and secondary research techniques to draw information from a broad spectrum of sources. Consultation was undertaken with key stakeholders in the public and private sectors, commercial agents, developers and investors. Site visits were undertaken to critique the existing supply of workspace in Uttlesford and the potential for sites to be redeveloped. Published information on the supply and demand of workspace, demographics and policy were also utilised.
- iv) The BE Group has prepared a series of recommendations and conclusions based on the analysis to guide the planning for commercial workspace over the next five years.

Findings

- v) Uttlesford is a relatively affluent, reasonably skilled area. The community is characterised by families in the middle stages of the life cycles, with a high proportion of 45-64 year olds and school age children. The workforce population of Uttlesford is employed in small to medium enterprises, with the main exception being Stansted Airport. Key employment sectors are professional, scientific and technical services and construction.
- vi) The employment and business registration data reveals that, while the population of the District has grown strongly in recent years, employment and business numbers

have remained relatively stagnant. This implies an increase in the need for out-commuting for local residents to access employment.

- vii) The study has found that employment stock in Uttlesford is generally of a small to medium scale and tightly held. There is very limited workplace stock currently being marketed, with a particular shortage of industrial space. The local economy is characterised by small to medium enterprises servicing the needs of the local market. Businesses had only limited economic connections to the wider regional or national economies. The exceptions to this are Stansted Airport and businesses associated with this hub and the research firms within Chesterford Research Park and its relationship with the Cambridge life sciences cluster.
- viii) The consultation with the local commercial agents corroborated the findings of a tight commercial market. Agents were generally of the view that further stock in Uttlesford is required to meet market demands and that growth was being constrained due to a lack of supply. The industrial markets in Saffron Walden and Great Dunmow were considered particularly tight.
- ix) Surveying the local businesses found a high level of satisfaction with their existing premises, despite the tight market which often forces businesses into substandard premises. Those businesses that did express a desire to relocate had reported difficulties in finding adequate premises.
- x) There are some significant projects that have been approved in Uttlesford, including TriSail Towers, Ashdon Road Commercial Centre and Mantle Estates at Great Dunmow, which if developed would increase choice and capacity in the market. There are further options outside the District, such as at Braintree, Bishop's Stortford, Harlow and Haverhill that can accommodate larger businesses than can be accommodated in Uttlesford.

Recommendations

- xi) Drawing upon and updating the analysis of the Employment Land Review (2011), this study has found that the most pressing concern in regards to further workspace coming available is not the lack of supply of employment land but rather the delivery of approved employment projects in a timely manner. It is recommended that Uttlesford Council strongly encourage the development of approved stock at the earliest possible juncture to alleviate the existing tightness in the market.

- xii) The approved but as yet undeveloped Ashdon Road Commercial Centre and Mantle Estates development at Great Dunmow should provide for the short-term employment space needs of Saffron Walden and Great Dunmow respectively, if developed in the near term. Further stock is likely to be required that would become available to the market in the medium term to meet further needs of these towns.
- xiii) It is recommended that Council continues with the policy outlined in the Draft Local Plan in regards to the restrictions upon non-aviation uses on Stansted Airport Land. That is, the North Side commercial area should have the restrictions relaxed to enable a wider range of regional operators to locate close to the airport, but the restrictions remain in place elsewhere on airport land.
- xiv) It is not recommended that further dedicated research space be developed outside of the Chesterford Research Park site. It is considered that this site is well positioned for such operators wishing to locate to Uttlesford and that there is sufficient capacity in this location to cater for future needs for the foreseeable future.
- xv) Start-up space is recommended for Saffron Walden and Stansted Mountfitchet. It is recommended that Uttlesford District Council enter into a partnership with Invest Essex to deliver their Enterprise Centres at these two locations.

1.0 INTRODUCTION

- 1.1 This Commercial Workspace Study has been prepared for Uttlesford District Council to provide insight into the supply and demand for commercial workspace in Uttlesford over the next five years.
- 1.2 The study has been prepared on behalf of Uttlesford District Council by the BE Group, property and economic development consultants based in Warrington.
- 1.3 The objectives of the study, as stated in the brief (7th October 2014) are to:

“Identify the existing and potential demand in commercial workspace from:

- *Uttlesford based businesses*
- *Sectors that the District could attract or attract more of*

Identify any existing and forecast gaps in the supply of commercial workspace.

Where any gaps exist identify and evaluate options for filling them within the District.”

Background

- 1.4 Uttlesford District Council prepared an Employment Land Review in April 2011 which reviewed employment land provision at that time and provided a series of recommendations as input into Uttlesford’s draft Local Plan. The draft Local Plan was submitted for independent examination in July 2014, however, following advice and comments from the Inspector the draft Local Plan was withdrawn from the examination process. However, it is understood that the provision of employment land was generally considered sound by the Inspector and that a revised draft Local Plan would adopt a similar approach.
- 1.5 This Commercial Workspace Study has referred to the data and findings of the Employment Land Review 2011. The Employment Land Review suggests that as at the time of preparing that report, there was an oversupply of employment space in the District, however take up of much of that supply since, a conversion of some employment space to non-employment uses and a lack of new stock becoming available has meant that the market is considerably tighter in 2015. The approach in this study will be to understand the nature of the demand against the current supply, and not only identify gaps, but provide an action plan to close those gaps.

- 1.6 Growth of workspace in Uttlesford would provide economic and community benefits for the District, including increased economic activity, more local employment opportunities, reduced out-commuting, increased choices for consumers and increased business rate revenue for Council.

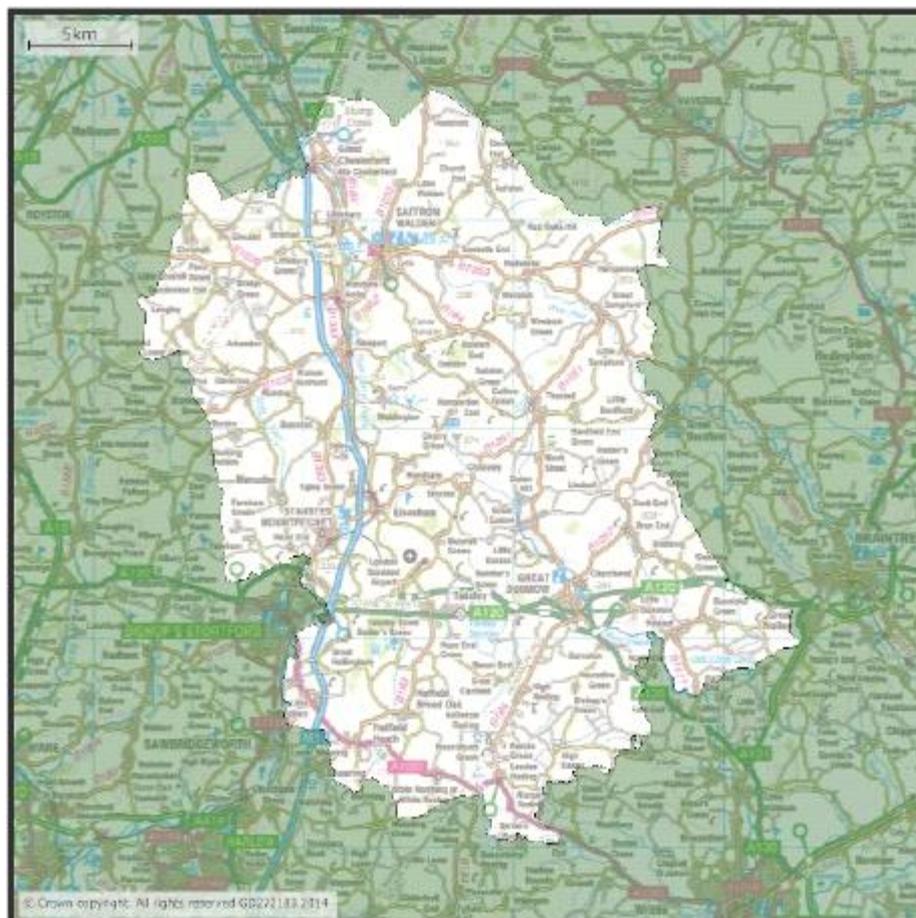
Methodology

- 1.7 The approach undertaken in preparing this Commercial Workspace Study involved primary and secondary research techniques to draw information from a broad spectrum of sources. Primary research methods used included site visits, face-to-face and telephone interviews with property market stakeholders such as developers, investors and their agents and a written survey of local businesses. Consultations were also undertaken with a number of the District and County's public sector agencies. Desktop analysis of national, sub-regional and local reports and strategies has been undertaken.
- 1.8 The site visits were undertaken to identify and critically assess the existing supply of vacant commercial premises in Uttlesford and review the quality and functions of occupied premises. This data was corroborated with discussions with locally active agents.
- 1.9 The study also included a review of the socio-economic profile of the local area and an analysis of property sales data, undertaken through desktop research of published data. The data gathered through the primary and secondary research was used to assess the supply and demand dynamics of commercial workspace in Uttlesford, including characteristics of its key locations. The BE Group has prepared a series of recommendations and conclusions based on the analysis to guide the planning for commercial workspace over the next five years.
- 1.10 Attached at Appendix 1 is a list of all consulted individuals and organisations. Appendix 2 provides a copy of the written business survey. The business survey was sent to 360 Uttlesford businesses, with 182 responses.

The Study Area

- 1.11 The study area covers the District of Uttlesford. It is a generally affluent, semi rural district with a settlement hierarchy of two market towns and six key service villages. With the M11 and Stansted Airport within the District boundary, together with its position between Cambridge and London, Uttlesford is an economically active

location. While Uttlesford serves as a dormitory region for commuters, it also receives a substantial number of in-bound workers to Stansted Airport and surrounding operations.



SOURCE: NOMIS

1.12 There are a number of economic drivers that will influence the need for premises in the next five years, these include:

- Presence and growth of the airport and expansion of services beyond the airport boundary
- Proximity of the M11
- Strong business economy in the two market towns
- Buoyant rural economy
- High level of micro businesses – 87 percent of businesses employ less than 10 people
- Expanding service sectors
- Location in the Science corridor linking Cambridge and London.
- Overarching performance of the United Kingdom and European economies.

- 1.13 However there remains a risk that the relatively anonymous market towns and villages of Uttlesford may get lost amid the intents and planning for growth in the regional and county areas, with Cambridge, the ports, Stansted Airport and larger communities in Essex providing the bulk of the policy focus for economic growth in the region. With the focus of areas outside of Uttlesford's towns and villages for economic growth, including the expansion of employment space, there is a risk that Uttlesford may lose economic growth potential to surrounding areas.
- 1.14 Employment spaces in Uttlesford include Stansted Airport, industrial nodes in Saffron Walden and Great Dunmow, discrete employment parks (e.g. Chesterford Research Park, Thremhall Park) and town centres. Stansted Airport represents the largest individual area for employment in Uttlesford, comprising some 10,200 jobs in the location. This study concentrates on the commercial office, industrial and warehousing space in Uttlesford.

2.0 STRATEGIC CONTEXT

Introduction

- 2.1 The national, regional and local planning framework and strategic direction is of importance to the review and analysis of commercial workspace in Uttlesford. This section reviews the strategic context in which Uttlesford's economy operates. An understanding of the strategies and reports contained in this review is needed to show strategic alignment and a holistic approach to promote sustainable development. The consultants' recommendations follow the general principles set by them.

National

National Planning Policy Framework – Department for Communities and Local Government (March 2012)

- 2.2 The NPPF sets out the Government's economic, environmental and social planning policies for England, articulating the Government's vision of sustainable development. It provides a framework for the production of local and neighbourhood plans, and has replaced all the previous Planning Policy Statements and Guidance Notes.
- 2.3 In terms of business and economic development, the NPPF argues that *"Investment in business should not be over-burdened by the combined requirements of planning policy expectations. Planning policies should recognise and seek to address potential barriers to investment, including poor environment or any lack of infrastructure, services or housing."* Local planning authorities should:
- *"Set out a clear economic vision and strategy for their area which positively and proactively encourages sustainable economic growth*
 - *Set criteria, or identify strategic sites, for local and inward investment to match the strategy and to meet anticipated requirements over the plan period*
 - *Support existing business sectors, taking account of whether they are expanding or contracting and, where possible, identify and plan for new or emerging sectors likely to locate in their area. Policies should be flexible enough to accommodate requirements not anticipated in the plan and to allow a rapid response to changes in economic circumstances*
 - *Plan positively for the location, promotion and expansion of clusters or networks of knowledge driven, creative or high technology industries*

- *Identify priority areas for economic regeneration, infrastructure provision and environmental enhancement*
 - *Facilitate flexible working practices such as the integration of residential and commercial used within the same unit.”*
- 2.4 Planning policies should also “*avoid the long term protection of sites allocated for employment use where there is no reasonable prospect of a site being used for that purpose. Land allocations should be regularly reviewed. Where there is no reasonable prospect of a site being used for the allocated employment use, applications for alternative uses of land or buildings should be treated on their merits having regard to market signals and the relative need for different land uses to support sustainable local communities.*”
- 2.5 In addition to this, paragraph 51 indicates that local planning authorities “*should normally approve planning applications for change to residential use and any associated development from commercial buildings (currently in the B use classes) where there is an identified need for additional housing in that area, provided that there are not strong economic reasons why such development would be inappropriate.*”
- 2.6 In town centres, local planning authorities should “*allocate a range of suitable sites to meet the scale and type of retail, leisure, commercial, community services and residential development needed.*” Local planning authorities should apply a sequential test to planning applications for main town centre uses that are not in an existing centre and are not in accordance with an up-to-date Local Plan. This applies to office development where an impact assessment should be required if the development is over a proportionate locally set threshold. The default stance is 2,500 sqm if no locally set threshold is in place. However this sequential approach does not apply to small scale rural offices or other small scale rural development.
- 2.7 Planning policies should support sustainable economic growth in rural areas by taking a positive approach to new development, supporting “*the sustainable growth and expansion of all types of businesses and enterprise in rural areas, both through conversion of existing buildings and well designed new buildings*” and promoting “*development and diversification of agricultural and other land-based rural businesses.*”

- 2.8 The NPPF re-introduces district-wide local plans, replacing the Local Development Framework system. The Local Plan should be a single strategic document, with supplementary planning documents only created if they can help to bring forward sustainable development at an accelerated rate.
- 2.9 It is proposed that Local Plans will address the spatial implications of economic, social and environmental change, setting out the opportunities for development and providing clear guidance on what will, or will not, be permitted and where. The Local Plan should outline the Local Planning Authority's strategic priorities. This should include strategic policies to deliver *"the homes and jobs needed in the area"* as well as *"the provision of retail, leisure and other commercial development"*.
- 2.10 Crucially, Local Plans should:
- *"Plan positively for the development and infrastructure required in the area to meet the objectives, principles and policies of this Framework"*
 - *Be drawn up over an appropriate time scale, preferably a 15 year time horizon, take account of longer term requirements, and be kept up to date*
 - *Be based on cooperation with neighbouring authorities, public, voluntary and private sector organisations*
 - *Indicate broad locations for strategic development on a key diagram and land-use designations on a proposals map*
 - *Allocate sites to promote development and flexible use of land, bringing forward new land where necessary, and provide detail on form, scale, access and quantum of development where appropriate*
 - *Identify areas where it may be necessary to limit freedom to change the uses of buildings, and support such restrictions with a clear explanation*
 - *Identify land where development would be inappropriate, for instance because of its environmental or historic value; and*
 - *Contain a clear strategy for enhancing the natural, built and historic environment, and supporting Nature Improvement Areas where they have been identified."*
- 2.11 Local planning authorities need to prepare and maintain a robust evidence base to understand business need within their area. This can be achieved by working with neighbouring authorities, LEPs and the local business community. This evidence base should be used to assess:

- *“the needs for land or floorspace for economic development, including both the quantitative and qualitative need for all foreseeable types of economic activity over the plan period*
- *existing and future supply of land available for economic development and its sufficiency and suitability to meet identified needs. Reviews of land available for economic development should be undertaken at the same time, or combined with Strategic Housing Land Availability Assessments and should include a reappraisal of the suitability of previously allocated land*
- *the role and function of town centres and the relationship between them, including any trends in the performance of centres*
- *the capacity of existing centres to accommodate new town centre development*
- *locations of deprivation which may benefit from planned remedial action*
- *the needs of the food production industry and any barriers to investment that planning can resolve.”*

South East Region

South East Local Enterprise Partnership

- 2.12 The South East Local Enterprise Partnership (SELEP) covers the local authorities of Essex, East Sussex, Kent, Thurrock, Medway and Southend. Uttlesford is in the north-western corner of the SELEP area. SELEP encourages and promotes enterprise and economic development by bringing together the business, local government and further and higher education agencies. SELEP released its Growth Deal and Strategic Economic Plan in March 2014. The objective of the Growth Deal is to secure funding for transport and business infrastructure that will help drive economic development.
- 2.13 The Strategic Economic Plan component of the document outlines a series of “growth ambitions” to achieve by 2021, namely to:
- *“enable the creation of 200,000 sustainable private sector jobs over the decade to 2021, an increase of 11.4% since 2011;*
 - *complete 100,000 new homes by 2021, which will entail, over the seven years, increasing the rate of completions by over 50% by comparison with recent years; and*
 - *lever investment totalling £10 billion, to accelerate growth, jobs and homebuilding.”*

- 2.14 These targets are considered by SELEP to be over and above a business as usual growth rate and would require investment in transport infrastructure as envisaged in the Growth Deal and Strategic Economic Plan. The Strategic Economic Plan provides a series of “solutions” to guide the growth of the region in order to achieve the targets, including solutions to improve productivity, increase the skills of the local workforce, accelerate housing stock growth and secure funding in specific, key transport corridors.
- 2.15 Specifically for Essex County, the Growth Deal and Strategic Economic Plan outlines a 12-point plan of targeted projects and actions to encourage economic growth. The Strategic Economic Plan also identifies five priority sectors – advanced manufacturing, low carbon and renewables, logistics, life sciences and healthcare and digital, cultural and creative industries – for Essex.
- 2.16 The London-Stansted-Cambridge Corridor (LSCC) is identified as having “*enormous growth potential, building on the local strengths in life sciences and other high value sectors. In Stansted Airport, the LSCC has a key economic asset with significant potential to catalyse growth across the corridor and beyond.*” SELEP states that for this corridor “*we can accommodate 1,050 jobs and 1,230 new homes by 2021 and facilitate 17,200 jobs and 19,100 homes through our proposed transport schemes.*”
- 2.17 SELEP states that the majority of growth in the LSCC would be focused in the Harlow Enterprise Zone, to the south of the Uttlesford District Council area. The Harlow Enterprise Zone is a growing life sciences, advanced manufacturing and ICT hub. No specific projects or investment opportunities are identified within the Uttlesford District Council area.

Essex County

Essex Economic Growth Strategy (September 2012)

- 2.18 The Economic Growth Strategy has been developed to guide economic growth in the County in the near term, with targets stated for 2013/14. Essex County Council was also a key partner in the SELEP plan. The Strategy has been developed with the intent to increase productivity, encourage innovation, create jobs, encourage export-oriented businesses, improve skills, improve infrastructure and increase access to jobs and services. Essex County have identified specific, quantified targets for economic growth, education, jobs, housing and infrastructure.

- 2.19 The Economic Growth Strategy identified four key sectors offering the greatest potential for growth in the County, namely advanced manufacturing and technology, transport, ports and logistics, renewable energy/low carbon technologies and health and care economy, which are consistent with the five priority sectors identified in the SELEP for Essex. Uttlesford's proximity to Cambridge and its key asset of Stansted Airport suggests that the District could provide an important role in developing these growth industries.
- 2.20 The Economic Growth Strategy highlights areas that the County, particularly through its Economic Development arm, can assist and promote businesses, including encouraging investment from outside the region, improving productivity and encouraging innovation. The Strategy states that "*there is a high demand and shortage of supply of good quality flexible-access premises for early-stage and growing businesses.*" In response to this need, the Strategy states that Council will expand the Enterprise Hub programme from three to ten, work with developers to ensure a ready supply of "grow on" accommodation and provide business planning and financial advisory support to entrepreneurs and start-up businesses.
- 2.21 In terms of where growth in the County should take place, the Economic Growth Strategy reaffirms the focus of the Integrated County Strategy (reviewed below) in focusing growth on the Thames Gateway South Essex (TGSE) corridor and identified key towns, none of which are in Uttlesford. Projects and actions for key locations are outlined in the Strategy, including several locations of further or renovated workspace outside of Uttlesford, throughout Essex that would encourage start-up businesses and economic growth. The Strategy stated that it would work with district councils on local initiatives, including to "*seek relief to the 'airport related businesses only' rule at Stansted and surrounding area to promote wider economic development in the area.*"

Integrated County Strategy (December 2010)

- 2.22 The Integrated County Strategy of Essex County Council has been developed as an agreed vision to identify the real priorities and outcomes needed for economic growth in the County. It is referred to in the Economic Growth Strategy as setting the "*framework and priorities for the places in which we wish to invest.*" The Strategy identifies Stansted Airport and Harlow as the two major economic drivers of the West Essex sub-region and states that "*elsewhere in the sub-region there is a scattered pattern of smaller towns and villages which will receive limited growth.*" The lack of

mention of areas in Uttlesford outside of Stansted suggests that the District's towns have a low priority for investment at the County level.

- 2.23 Harlow, to the south of Uttlesford, was identified in the Integrated County Strategy for major housing and regional employment growth. The stated vision for the West Essex sub-region is similarly focused on Harlow:

“To create a sustainable and employment-led major growth point focussed on the renaissance, revitalisation and transformation of Harlow as a leading regional centre, served by a world class international airport at Stansted Airport and improved transport links, and where there is a pattern of vibrant market towns and villages set within attractive undeveloped countryside containing high quality environmental assets, heritage, and prosperous rural enterprises.”

- 2.24 Therefore, while the vision for the West Essex sub-region suggests that Uttlesford areas are not the focus of substantial growth, the terms “*vibrant market towns and villages*” and “*prosperous rural enterprises*” do not imply stagnation, rather it infers a need for renewal and maintenance of the local workspace to ensure that Uttlesford's places remain vibrant and prosperous.

Uttlesford District

Uttlesford Economic Development Strategy 2014-16 (June 2014)

- 2.25 The Uttlesford Economic Development Strategy builds upon the 2012-14 economic strategy with actions and programmes for the 2014-16 period. The Strategy identifies a range of strengths, opportunities and issues for the District's economy, including the following of relevance to workspace:

Strengths

- Good quality employment land and range of sites and premises
- Varied existing business base including rural businesses
- Existing clusters and drivers i.e. London Stansted Airport and Chesterford Research Park
- Town centres with large proportions of independent traders and Town Teams

Issues

- Access to superfast broadband
- Relative anonymity

- Relative costs e.g. commercial space and house prices
- Ability to expand
- Competition for jobs and investment i.e. Greater London/Thames Gateway
- Stagnant commercial stock
- Low development activity

Uttlesford Employment Land Review (April 2011)

- 2.26 The Uttlesford Employment Land Review is the most recent, comprehensive review of employment space in Uttlesford and was developed to inform the Local Development Framework for Council. The Employment Land Review analysed the existing employment land market, assessed the demand for employment land in coming years and provided a series of recommendations for Council.
- 2.27 The Employment Land Review assessed each locality in Uttlesford, providing commentary on the local market issues at the time of the study. This Commercial Workspace Study has drawn on that commentary as a marker of the market in 2011. While not replicating the full commentary, the following excerpts are provided of the two main towns, Saffron Walden and Great Dunmow.

Great Dunmow

“6.56 Great Dunmow is attractive to industry because of a combination of generally thriving industrial estates combined with ready access to the now dualled A120 and hence the M11 and Stansted Airport (see map 4). It would be expected that both airport-related and non airport-related businesses would be attracted to this location. The rents commanded locally reflect the quality of both the premises and the environment which, whilst variable, is generally of a high standard. Rents are slightly less expensive than those further west nearer to Junction 8 of the M11 and there is a greater availability of choice.

6.57 The Fitch Industrial Estate features a number of B1 uses which is reflected, in part, in an enhanced environment in terms of both the design of the buildings and the associated landscaping. The recent high level of vacancies on the Station Road Estate was as a consequence of a combination of leases terminating concurrently and the recession. Most units are now occupied despite the buildings being now somewhat dated.

6.58 Rents range from £7/sq. ft. for B1/B2/B8 floorspace in high quality premises on the newer, more prestigious estates down to £2 – 3/sq. ft. for more basic accommodation on older, poorer quality estates. The relatively high levels of

accessibility, combined with the quality of the commercial estates, results in a much greater degree of churn than in other areas where local circumstances are different.

6.59 The local plan includes an allocation of 9.6 ha. for a proposed Business Park which remains unimplemented despite the dualling of the A120, from Stansted to Braintree, in 2004.”

Saffron Walden

“6.60 The commercial property market in Saffron Walden is currently slow with little or no churn. This is in marked contrast to Great Dunmow and is for the following reasons:-

- difficulty in gaining access to/from the M11 as the nearest junctions to the north and south are 9 and 13 miles away respectively. A low bridge to the south of the town (at Newport) results in high vehicles either having to find an alternative, roundabout route or go to the northern junction (at Duxford) in order to travel south towards the M25 and London;*
- all of the industrial sites/estates (i.e. Shire Hill, Ashdon Road, Printpack and Willis and Gambier) are situated on the eastern side of the town (see map 6), the structure of which is such that HGV traffic heading to the M11 has to travel either through the town centre or via a predominantly residential route around it; and*
- 75 – 80% of the industrial stock is 20 or more years old and no longer fit for purpose.*

6.61 The upshot of these accessibility issues is that the town’s industrial estates do not meet the modern day requirements of large, national firms. This is reflected in the rents currently achievable which, for B1(c)/B2/B8, are of the order of £3.5 - £5/sq. ft.. Whilst this is comparable with several of the estates in Great Dunmow, it does not match the sums obtainable (of the order of £7/sq. ft.) on those estates which are more attractive to prospective occupiers because of the quality of the accommodation and the ready access to the A120.

6.62 As a consequence the majority of the occupiers of the estates in Saffron Walden are local businesses as distinct from major national companies. There are nonetheless exceptions to this with the Ridgeons depot on Ashdon Road being one of over twenty in the eastern region and the Printpack plant on Radwinter Road being part of an international organisation.

6.63 There is also the issue of vacant premises (see page 68) and the scope they offer for either reoccupancy or redevelopment for other commercial users. This must be the preferred option unless the market demand is such that this is simply not viable within a reasonable period of time.

6.64 *There is a shortage of good quality office accommodation but the cost of providing it is such that it would need to generate £20/sq. ft. in rent. This is potentially problematic given that the prime level for offices is £15/sq. ft.. The same situation is being experienced in other towns relatively close to Cambridge which is the regional centre and where, in sharp contrast, the prime office rental values are £30/sq. ft.*

6.65 *Views expressed by local agents as to the need for, and prospect of, commercial development and redevelopment in and around the town are as follows:-*

- *there is currently an oversupply of B1(c)/B2/B8 accommodation at all levels of quality;*
- *there will continue to be local companies that want to grow;*
- *there is a lack of available commercial land supply in and around the town;*
- *there should be more employment land opportunities as the existing estates are fully developed and a supply of land would create the demand for it;*
- *an extension of Shire Hill, if there was the opportunity, would be taken up, even though it may take time;*
- *existing large vacant buildings do not lend themselves to refurbishment and subdivision;*
- *redevelopment of the vacant warehousing at the Ashdon Road Commercial Centre for commercial units would not have been viable given the recent level of demand but this situation could change in the future when the market recovers;*
- *there is no quality business park which is considered necessary in order to accommodate B1(a) and B1(b) uses to meet the needs of those core office services already in the town that wish to expand but have no suitable accommodation by way of space, room size, lighting, adequacy of parking as well as accessibility. Whilst the existing industrial estates are suitable for B1(c), B2 and B8 uses, they would not attract the office users who require a different type of environment, particularly if it is for a headquarters building; and*
- *the viability of office provision may be problematic, even on a greenfield site, because of construction costs and the associated rental requirement together with the attraction of nearby Cambridge to prospective occupiers.”*

2.28 The Uttlesford Employment Land Review provided a qualitative assessment of sites, categorising the sites for potential continued use for employment uses. The Review identified the following sites for potential re-use, with BE Group's commentary as to the subsequent outcome for each site as at January 2015.

Table 1 – Employment Land Review’s Assessment of Sites for Potential Reuse

Site	ELR Assessment	2015 Status
Jubilee Works, Clavering	Redevelop for viable use	Approved for residential development
Hasler’s Yard, Great Dunmow	Consider for redevelopment	
Ongar Road Industrial Estate, Great Dunmow	Consider for redevelopment	No change, still operating as industrial estate
Willis and Gambier site, Saffron Walden	Retain – if viable	Approval for residential and care facility
Northern Ancillary Area, Stansted Airport	Scope for enhancement	Draft Local Plan had allocated site for non-airport related business use, but not yet adopted.
Southern Ancillary Area, Stansted Airport	Scope to review restriction	No change in policy
Molecular Products site, Thaxted	Retain – if viable	Site vacant and for lease

SOURCES: Uttlesford Employment Land Review and BE Group

2.29 In terms of need for additional land, the Uttlesford Employment Land Review concluded that there was a pressing need for further office land, with a particular lack of supply in Saffron Walden. The Review identified a significant demand for warehousing, which it considered could be accommodated from disused industry premises, at Stansted Airport (under the proviso of a relaxation of use restrictions), or additional warehouse land. The report identified a reduction in the number of manufacturing jobs in coming years and inferred a corresponding loss of industrial premises and land. The report stated there would need to be sufficient capacity to “accommodate new and expanding industrial firms and industrial land could, perhaps, be reused for warehousing, for which there is a recognised need.” Table 2 summarises the Employment Land Review’s forecasts to 2028 for additional floorspace and land by employment use, based on employment modelling.

Table 2 – Employment Land Review’s Floorspace Forecasts

Use	Forecast Number of Jobs	Forecast Floorspace Requirements (sqm gross)	Forecast Land Requirements (ha)
Factories	-1,600	-52,100	-12.8
Warehousing	1,150	36,800	9.2
Offices	1,650	29,700	7.4

SOURCE: Employment Land Review 2011

- 2.30 The Employment Land Review then factored into the analysis existing (vacant stock) and potential (approved developments or existing stock reserved for aviation purposes at Stansted) premises that could absorb part of the demand identified in Table 2.

Table 3 – Employment Land Review’s Net Forecasts

Use	Offices		Warehousing		Industry	
	Floorspace (sqm)	Land (ha)	Floorspace (sqm)	Land (ha)	Floorspace (sqm)	Land (ha)
Total Requirement	29,700	7.4	36,800	9.2	-51,200	-12.8
Existing Provision	2,170		14,200		8,600	
Potential Provision	7,600		29,400			
Net Requirement	19,900	5.0	22,600	5.7	-59,800	-12.8
Potential Sites		0.9				4.0 -5.3
Net Requirement		4.1		5.7		-11.5

SOURCE: Employment Land Review 2011

- 2.31 Table 4 provides further explanation of the existing and potential floorspace and sites, drawn from the Employment Land Review, as well as BE Group commentary as to the 2015 status of each site.

Table 4 – Employment Land Review’s Net Forecasts

Use	Explanation as at 2011	2015 Status
Offices		
<i>Existing Provision</i>	2,170sqm at Phase 1 M11 Business Link built but vacant	Phase 1 M11 Business Link mostly taken up
<i>Potential Provision</i>	3,800sqm of Phase 2 M11 Business Link with outline planning permission; 3,800sqm land adjacent to Saffron Walden Business Park	Phase 2 not constructed Land developed for residential
<i>Potential Sites</i>	0.9ha London Rd Site, Great Chesterford	Planning permission granted for residential, although not yet developed.
Warehousing		
<i>Existing Provision</i>	Units 2,3 of Ashdon Rd Commercial Centre	Ashdon Rd Commercial Centre to be redeveloped for mixed use, including warehousing, residential and retail

Use	Explanation as at 2011	2015 Status
<i>Potential Provision</i>	Existing warehouse at Stansted Airport reserved for aviation purposes (5,580 sqm) Phase 2 Site 600, Stansted Airport reserved for aviation (9,900 sqm) Phase 3 Site 600, Stansted Airport reserved for aviation (13,900 sqm)	No change in policy for Stansted Airport uses being reserved for aviation purposes
Industry		
<i>Existing Provision</i>	Vacant Willis and Gambier building (8,600 sqm).	Approved for residential and care accommodation
<i>Potential Sites</i>	Expansion of Thaxted Rd site at Saffron Walden (4.0 ha) Loss of Willis and Gambier site (-3.0 ha) Loss of Molecular Products, Thaxted site (-0.8) Loss of Ongar Rd Industrial Estate, Great Dunmow (-1.5 ha)	Development of some of site for B1/B2/B8 uses, although still vacant land. Food retail uses under construction Approved for residential and care accommodation Remains vacant and on the market Remains an operating industrial estate

SOURCE: *Employment Land Review 2011; BE Group*

2.32 From the analysis of the existing supply and projected demand, along with consultation with local agents, policy options were developed and critiqued. The report stated that “*the following components are identified as together forming the thrust of what should be the preferred option:-*

- *facilitate significant office development to meet the needs of Saffron Walden;*
- *allow non airport-related commercial uses on employment land at Stansted Airport;*
- *retain and promote the continuing regeneration of existing employment areas (with the exception of Jubilee Works site at Clavering) for appropriate employment uses;*
- *protect integrity and function of industrial estates to be retained;*
- *retain existing employment land allocations with the exception of the Great Dunmow Business Park;*
- *allow the continued development of the Chesterford Research Park for research and development uses beyond the current masterplan.”*

2.33 The Employment Land Review developed a series of policy recommendations based on this preferred option.

Employment Land Monitoring (October 2014)

- 2.34 The Employment Land Monitoring document is an annual review of the addition and loss of employment space over the preceding year. The October 2014 edition reported a net loss in 2014 of employment floorspace for all uses except mixed use (B1/B2/B8) developments.
- 2.35 The Employment Land Monitoring report summarises the completed floorspace over the last four years by employment type, which is replicated in Table 5 below.

Table 5 – Employment Land Monitoring Report’s Completed Employment Floorspace

Use	2011 (sqm)	2012 (sqm)	2013 (sqm)	2014 (sqm)	Total (sqm)
B1(a) Offices	829	1,680	0	-63	2,446
B1(b) Research and Development	-	-	-	0	0
B1(c) Light Industrial	-	-	148	0	148
B2 General Industrial	-	-	-	-2,210	-2,210
B8 Storage and Distribution	120	4,000	749	-289	4,580
B1/B2/B8	0	5,887	0	2,313	8,200
Total	949	11,567	897	-249	13,164

SOURCE: Employment Land Monitoring October 2014

- 2.36 The Employment Land Monitoring report also provided forecasts of employment floorspace requirements to 2031 based on the draft Local Plan’s requirement for 9,200 additional jobs to be provided in the District by 2031, including a projected 1,900 jobs in offices, factories and warehouses. This built upon the Employment Land Review’s projections to 2028 detailed in Table 2 above. While the draft Local Plan has subsequently been withdrawn, it remains an indicator of planning intent for the District and the scale of additional floorspace and land area requirements. Table 6 provides a summary of the floorspace and land area forecasts based on the employment modelling.

Table 6 – Employment Land Monitoring Report’s Floorspace Forecasts

Use	Forecast Number of Jobs	Forecast Floorspace Requirements (sqm gross)	Forecast Land Requirements (ha)
Factories	-1,700	-54,400	-13.6
Warehousing	1,450	46,400	11.6
Offices	2,150	38,700	9.7

SOURCE: Employment Land Monitoring October 2014

2.37 From the forecasts it appears that the simple conversion of factories to warehouses would satisfy the demand for warehousing land and provide a renewed use for factories no longer required. However this may not be appropriate for several reasons including:

- While the jobs based in factories may decline in coming years the size of premises may not decline to the same degree or at all, if the reason for the decline is the automation of processes, rather than the businesses closing or moving elsewhere. Therefore forecasts based on a constant employment density (jobs/sqm) would not be appropriate.
- The premises may not be appropriate for warehousing purposes, or easily convertible for such purposes.
- Incoming warehousing businesses may have different locational requirements to the existing factory stock.

2.38 The Employment Land Monitoring report also provided estimates of the amount of potential floorspace that has planning permission but has yet to be developed (as at April 2013), which is summarised in Table 7 below:

Table 7 – Outstanding Planning Permission

Use	Outstanding Floorspace (sqm)
B1 (a) Offices	5,535
B1 (b) Research and Development	5,620
B1 (c) Light Industrial	1,638
B2 General Industrial	643
B8 Storage and Distribution	9,975
B1/B2/B8	3,180
Total	26,591

SOURCE: Employment Land Monitoring October 2014

Stansted Airport – Sustainable Development Plan 2015 – Land Use

- 2.39 The Manchester Airport Group, owners of Stansted Airport, recently released the airport’s Sustainable Development Plan. The most relevant document of the Sustainable Development Plan for this study is the Land Use document, which outlines airport land uses to support the airport operating at the capacity of its single runway, a throughput of some 40-45 million passengers per annum.
- 2.40 The Land Use document highlights the spare capacity of the land at Stansted Airport, which is in contrast to other London airports, as well as the major infrastructure at the airport already in place or having planning permission to grow to the capacity of the single runway. Therefore there are limited infrastructure and operational changes required to grow the airport to its runway capacity and all such improvements can be accommodated on existing land.
- 2.41 The plan identifies the “North Side” area of the airport land as having potential for commercial redevelopment. While general aviation uses would be retained in this area, the plan recognises the underutilised and poor quality of some of the land side buildings, which provides an opportunity for redevelopment. The Land Use report states that Stansted Airport supports the allocation of 18 hectares on the North Side for non-aviation uses in the now-withdrawn draft Local Plan of Uttlesford District Council. The Airport is continuing to plan its land uses with the assumption that this 18 hectares would continue to be allocated for non-aviation purposes.
- 2.42 The Land Use report considers the office market, including its future on-airport needs. The existing stock of office space is summarised in the document and is provided in Table 8 below. The document states that Airways House has reached the end of its useable life and is due for demolition in 2015, providing a development opportunity in the 18 hectare North Side commercial area.

Table 8 – Stansted Airport

Office Building	Floorspace, sqm	Vacancy Rate, percent
Enterprise House	9,000	11
Endeavour House	5,900	20
Stansted House	2,300	56
Airways House	1,600	100

SOURCE: Stansted Airport Sustainable Development Plan – Land Use, 2015

2.43 Existing users of office space include the airport itself, airlines and service partners. The Land Use report states that it is anticipated that the remaining on-airport office stock would be taken up in about 5-7 years and therefore demand beyond this would require further office development.

2.44 Other soon to be developed facilities on airport land mentioned in report include a 329-bed space hotel (opening 2016) and an education facility (opening spring 2015).

Concluding Comments and Implications for this Study

2.45 This review of the strategic policy context within which Uttlesford's employment spaces operate reveals that:

- Stansted Airport and the M11 corridor are readily identified as regionally significant assets;
- At the regional and county levels, Uttlesford's workspaces are not considered priorities, outside of the importance to continue to grow the Stansted Airport hub. Investment and effort are being channelled into areas surrounding the District, which could impact upon the District's potential to attract and retain business and investment;
- The Harlow Enterprise Zone, to the south of Uttlesford has good access to London, Stansted Airport and the M11. This zone has strategic intent for advanced manufacturing and research uses, which could draw existing Uttlesford businesses away or limit the potential for Uttlesford to attract such new businesses.
- The Employment Land Review of April 2011 identified gaps in the market at that time, including:
 - i. Office space servicing Saffron Walden
 - ii. Warehousing space
- The oversupply of general industry, light industry and storage and distribution uses identified through the consultation with local agents in the preparation of the Employment Land Review in 2011 is not evident in the market in 2015 and as seen in Chapter 5.0 of this report was not the view of agents consulted for this study, with some of the long-term vacancies taken off the market and redeveloped for non-industrial uses.
- Stansted Airport's planning for its land uses supports the withdrawn draft Local Plan's provision for 18 hectares of non-aviation related commercial development on the North Side of the airport, but otherwise has a range of land uses planned for aviation related and supporting uses.

3.0 SOCIO-ECONOMIC PROFILE

Introduction

- 3.1 This section summarises the socio-economic characteristics of the Uttlesford region, with particular regard to the local workforce. It provides the demographic and socio-economic context to the provision of employment space in Uttlesford. Equivalent data for Essex County and Great Britain are provided for comparison. 2011 Census data and subsequent population and labour force publications from the Office of National Statistics (ONS) formed the main data source for this profile
- 3.2 The residential population of Uttlesford is an affluent, educated community that is working in high to moderately skilled occupations. The community is characterised by families in the middle stages of the life cycles, with a high proportion of 45-64 year olds and school age children. Conversely younger adults are less represented in this community, reflecting house affordability issues in the District and a desire of younger adults to be located closer to main urban centres.
- 3.3 The workforce population of Uttlesford is employed in small to medium enterprises, with the main exception being Stansted Airport. Key employment sectors are professional, scientific and technical services and construction. While the residential population had above average earnings as at the 2011 Census, the population working within Uttlesford had below average earnings at that time, reflecting the high earnings of the London commuter from Uttlesford and the nature of enterprises in the District.

Overview of the Residential Population

- 3.4 The Uttlesford District had a population of 82,700 persons as at 2013, representing 5.8% of the Essex County population. It was the third smallest of the twelve local authority areas by population in Essex County at that time.
- 3.5 The population of Uttlesford District grew from 68,936 at the time of the 2001 Census to 79,443 at the 2011 Census, representing an intercensal growth of 15.2 percent, which was the highest in Essex County and substantially higher than the County (6.3 percent) and Great Britain (7.0 percent) averages.

- 3.6 Table 9 illustrates the very low unemployment rate of the economically active residents of Uttlesford, with the unemployment rate about half that of Great Britain and Essex County over the period October 2013 to September 2014.

Table 9 – Unemployment Rates 2013/14*

Area	Unemployment Rate (percent)
Uttlesford	3.2
Essex County	6.0
East of England	5.3
Great Britain	6.5

Source: ONS Annual Population Survey, 2014

*Percentage of economically active population.

- 3.7 Unemployment in Uttlesford has comparatively remained low throughout the recession, with the ONS modelling of the District's unemployment showing a peak unemployment of 4.8 percent as at April 2010-March 2011, considerably lower than the County and Great Britain peaks of 7.3 and 8.1 percent respectively. Table 10 below compares the unemployment rate of Uttlesford since 2007.

Table 10 – Unemployment Change 2006-2014, Percent*

Area	Sept 2007 Unemployment Rate	Sept 2012 Unemployment Rate	Sept 2014 Unemployment Rate	Percentage point change 2007- 2014
Uttlesford	2.5	4.1	3.2	+0.7
Essex County	3.9	7.0	6.0	+2.1
East of England	4.3	6.9	5.3	+1.0
Great Britain	5.2	7.9	6.5	+0.7

Source: ONS Annual Population Survey, 2007, 2012 and 2014

*Percentage of economically active population.

- 3.8 Table 11 shows that the National Vocational Qualification (NVQ) level attained by the working age population of Uttlesford is above the regional averages and, aside from NVQ4 and above (degree level and above), is higher than the Great Britain average indicating this community is comparatively well skilled.

Table 11 – Qualifications (2013), Percent

Level	NVQ4 and above	NVQ3 and above	NVQ2 and above	NVQ1 and above	Other qualifications	No qualifications
Uttlesford	33.3	57.5	73.0	90.2	#	#
Essex County	28.3	48.9	70.0	86.0	5.5	8.5
East of England	33.2	53.6	72.7	85.8	5.8	8.4
Great Britain	35.2	55.8	72.5	84.4	6.3	9.3

Source: ONS Annual Population Survey 2013

sample size too small for reliable estimates

- 3.9 Table 12 illustrates the breakdown of employment by main occupation group, including for Uttlesford at 2006 and 2014. A higher proportion of managers and senior officials was evident in the District, relative to the regional and national averages, reflecting the rural nature of the District (farm managers are included in this category) and the educated nature of the workforce. The time series data shows a movement away from professional occupations and towards associate professional and technical occupations since 2006.

Table 12 – Employment by Main Occupation Group

Socio-Economic Class	Uttlesford 2006, percent	Uttlesford 2014, percent	Essex County, percent	East of England, percent	Great Britain, percent
Managers and senior officials	15.2	15.0	11.0	10.8	10.2
Professional occupations	21.4	16.6	17.6	19.6	19.9
Associate professional and technical occupations	13.2	17.0	14.8	14.7	14.2
Administrative and secretarial occupations	18.5	14.1	13.2	11.5	10.7
Skilled trades occupations	#	#	12.1	10.6	10.7
Personal service occupations	#	13.3	10.2	9.3	9.1
Sales and customer service occupations	#	#	6.1	6.8	7.8
Process plant and machine operatives	#	#	5.7	6.3	6.2

Socio-Economic Class	Uttlesford 2006, percent	Uttlesford 2014, percent	Essex County, percent	East of England, percent	Great Britain, percent
Elementary occupations	#	#	8.9	10.0	10.7

Source: Annual Population Survey Oct 2005-Sept 2006 and Oct 2013-Sept 2014

sample size too small for reliable estimates or estimate not available

- 3.10 Table 13 measures local economic activity using Business Register and Employment Survey (BRES) data. BRES provides details of the number of jobs within differing industry sectors within a local authority area. BRES is a comparatively recent measure of local economic activity, only introduced in 2011 and not readily comparable with older data which is usually based on Annual Business Inquiry statistics. The BRES statistics reveal that there were some 36,719 employment positions (employees plus working owners) in Uttlesford as at 2013.

Table 13 – Employment by Main Industry Sectors

	Employment Structure, proportion of jobs, percent			
	Uttlesford, percent	Essex County, percent	East of England, percent	Great Britain, percent
1 : Agriculture, forestry & fishing*	0.3	0.2	1.8	1.6
2 : Mining, quarrying & utilities	0.6	0.9	0.9	1.2
3 : Manufacturing	7.5	8.5	8.6	8.3
4 : Construction	5.8	6.0	5.2	4.6
5 : Motor trades	1.9	2.0	2.1	1.8
6 : Wholesale	4.5	4.3	4.3	4.0
7 : Retail	8.0	11.2	11.2	10.0
8 : Transport & storage (inc postal)	17.9	4.9	4.6	4.4
9 : Accommodation & food services	8.0	6.5	6.3	7.0
10 : Information & communication	2.5	3.1	3.4	3.9
11 : Financial & insurance	1.8	2.9	2.5	3.6
12 : Property	1.5	2.1	1.9	1.9
13 : Professional, scientific & technical	7.7	6.6	7.7	8.0
14 : Business administration & support services	6.3	8.1	9.9	8.2
15 : Public administration & defence	3.5	3.9	3.6	4.6
16 : Education	12.2	12.1	10.0	9.1

	Employment Structure, proportion of jobs, percent			
	Uttlesford, percent	Essex County, percent	East of England, percent	Great Britain, percent
17 : Health	6.4	12.4	11.8	13.2
18 : Arts, entertainment, recreation & other services	3.4	4.3	4.1	4.6

Source: Business Register and Employment Survey 2013

*Excludes farm based agriculture.

3.11 The dominance of Stansted Airport as a major employer and Uttlesford's position on the Motorway network is evident in the employment industry statistics, with 17.9 percent of the District's workers employed in this sector, four times the national average. Drilling down further into the separate divisions of the transport and storage (including postal) sector in Uttlesford reveals that as at 2013 the key areas of employment were:

- Warehousing and support activities for transportation – 2,576 workers
- Air transport – 1,581 workers
- Land transport and transport via pipelines – 1,528 workers
- Postal and courier activities – 889 workers.

3.12 These numbers reveal that, while the airport and direct aviation related activities was a substantial employment sector, other transport, warehousing and logistics activities employ even larger numbers.

Numbers and Sizes of Businesses

3.13 ONS data identifies that there were 5,260 VAT registered businesses in the District (see Table 14) in 2014. The number of VAT registered businesses has increased by 100 businesses, or 1.9 percent, on 2009 levels, significantly lower than the residential population growth of approximately 9.6 percent over the same period.

3.14 Uttlesford's VAT registered business count represented 8.2 percent of Essex County's registered businesses in 2014, very slightly down from 8.3 percent in 2009.

Table 14 – Total Number of VAT Registered Businesses

Area	VAT Registered Businesses, 2014
Uttlesford	5,260
Essex County	64,185
East of England	266,275
Great Britain	2,639,340

Source: ONS VAT Registrations/Deregistration, 2014

- 3.15 82.9 percent of businesses in Great Britain employ less than ten people (micro businesses) in 2014, and overall 96.7 percent of all businesses are classified as small (up to 49 employees). Uttlesford's business size profile is even more highly skewed towards micro and small businesses, with 87.4 percent of the District's businesses employing less than 10 people and 97.8 percent of all businesses employed less than 50 workers. That is, only 115 businesses in Uttlesford employ more than 50 workers. Table 15 summarises the proportional breakdown of business units by employment size as at 2014.

Table 15 – Percentages of Total Businesses by Business Size

Area	Number of Employees						
	1-4	5-9	10-19	20-49	50-99	100-249	250+
Uttlesford	74.0	13.4	6.5	4.0	1.2	0.8	0.2
Essex County	71.1	13.6	7.6	5.0	1.7	0.8	0.3
East of England	70.1	13.9	7.8	5.2	1.7	0.9	0.4
Great Britain	68.4	14.5	8.4	5.5	1.9	1.0	0.4

Source: ONS 2014

- 3.16 The total number of VAT registered businesses can be broken down further by industry sector. It should be noted that recent changes in the sector categorisation of VAT registered businesses mean that the below data cannot be compared to past ONS Vat Registrations/Deregistration statistics. Table 16 shows that the highest proportion of businesses in Uttlesford is in the professional, scientific and technical sector, with construction the second highest sector. Both of these industry sectors recorded proportions approximately two percentage points above the national averages.

Table 16 – VAT Registered Businesses by Sector, percent

Sector	Uttlesford, percent	Essex County, percent	East of England, percent	Great Britain, percent
Agriculture, Forestry and Fishing	7.1	3.5	4.7	5.0
Mining, Quarrying and Utilities	0.6	0.5	0.6	0.6
Manufacturing	5.9	5.6	5.3	5.0
Construction	12.5	15.3	12.5	10.1
Motor Trades	3.0	3.2	3.3	2.9
Wholesale	4.7	4.9	4.9	4.6
Retail	7.3	9.3	9.6	10.5
Transport and Storage	3.6	3.7	3.6	3.3
Accommodation and Food Services	4.3	5.0	5.6	6.3
Information and Communication	7.0	6.4	7.2	7.0
Finance and Insurance	2.5	2.1	2.0	2.4
Property	3.4	3.4	3.4	3.6
Professional, Scientific and Technical	17.5	14.8	15.0	15.5
Business Administration and Support Services	7.8	7.4	7.4	7.2
Public Administration and Defence	1.0	1.1	1.0	0.9
Education	2.7	2.5	2.5	2.5
Health	3.7	5.0	5.2	5.8
Arts, Entertainment, Recreation and Other Services	5.8	6.0	6.2	6.6

Source: ONS 2014

Geographic Location

- 3.17 Table 17 shows the distribution of office and industrial premises (hereditaments identified by the Valuation Office for the purposes of business rates collection). The spatial distribution can be analysed by Middle Super Output Areas (MSOAs). Uttlesford comprises nine such MSOAs, which are illustrated in the map after Table 10. The most recent Valuation Office data available at the MSOA level is only for 2008, which pre-dates the recession and thus should be treated as indicative only.

Table 17 – Distribution of Premises and Homeworking

Area	Middle SOAs	Number of Units		Number of People Homeworking
		Factories/ Warehouses	Offices	
<i>Saffron Walden/Chesterford</i> Includes the settlement area, plus surrounding rural land in northern area of Uttlesford, including areas to the west of the M11	001-003,	249	277	2,017 (14.6%)
<i>Great Dunmow/Little Dunmow</i>	007-008	149	106	1,267 (14.2%)
<i>Stansted and surrounds</i> Stansted Airport, Stansted Mountfitchet, Elsenham and rural areas.	005-006	235	344	1,545 (14.7%)
<i>Central Rural Areas</i> Includes villages of Thaxted, Great Sampford, Hempstead.	004	55	15	832 (20.2%)
<i>Southern Rural Areas</i> Southern area of Uttlesford, south of Stansted Airport, includes Hatfield Heath	009	90	33	737 (19.5%)
Total		778	775	6,398 (15.6%)

Source: ONS Commercial and Industrial Floorspace 2008/ Census 2011

3.18 Table 17 shows an even split between industrial and office units as at 2008. Since 2008 development activity has seen Great Dunmow/Little Dunmow industrial areas grow faster than Saffron Walden. Unsurprisingly, Stansted and surrounding areas had the greatest number of commercial premises as at 2008.

Homeworking

3.19 Table 17 also shows the number of people aged 16+ working mainly at or from home as at the time of the 2011 Census. The percentages are of the total working population aged 16+ residing in the area. The high prevalence of micro businesses and farms in Uttlesford result in the proportion of those stating that they worked mainly at or from home in the week of the Census was higher than the Essex County (10.6 percent), East of England (10.9 percent) and England (10.4 percent) averages.

3.20 Within Uttlesford, the areas with the highest proportions of those working mainly at or from home in 2011 were the rural areas, due to the prevalence of farming

businesses. The three main urban areas had similar proportions of home-based workers.

Commuting Patterns

- 3.21 Table 18 provides a summary of commuting patterns in Uttlesford. The table shows the in and out flows of workers and residents of Uttlesford.

Table 18 – Uttlesford Commuting Flows, 2011

Area	Out-Commuters (No.)	In-Commuters (No.)	Net Flow (No.)	Live and Work in Uttlesford* (No.)	People who Live and Work in area as a Percentage of the Total Employed Persons Living in Uttlesford, percent
Uttlesford	17,973	17,618	-355	13,006	42

Source:ONS, 2011

*Includes those who live and work in the local authority area, homeworkers and those with no fixed working address.

- 3.22 Table 18 reveals that Uttlesford had a very similar number of commuters flowing into the district for work in 2011 as were heading outside the district for work. The inflow of workers to Stansted Airport and surrounding industrial premises is balanced by the outflow of workers to Greater London and regional centres outside of the District boundaries. That is, the amount of jobs provided in Uttlesford approximates the jobs demand generated by the working population residing in the district.
- 3.23 For those commuting out of Uttlesford for work, the main locations were Greater London, elsewhere in Essex, Hertfordshire and Cambridgeshire. Table 19 below summarises the key destinations for Uttlesford residents commuting out of the district for work in 2011. The table shows the importance of London as an employer for Uttlesford resident but also the importance of the local counties.

Table 19 – Key Locations of Out-Commuters, 2011

Sector	2011 Number	2011 Percent
Elsewhere in Essex	5,012	28
<i>Harlow*</i>	1,412	8
<i>Chelmsford*</i>	979	5
<i>Braintree*</i>	886	5
<i>Epping Forest*</i>	785	4
Cambridgeshire	2,871	16
<i>Cambridge*</i>	1,383	8
<i>South Cambridge*</i>	1,321	7
Hertfordshire	3,878	22
<i>East Hertfordshire*</i>	2,972	17
Greater London	5,118	28
Elsewhere in East of England	559	3
Elsewhere in Great Britain	552	3
Total	17,990	100

Source: ONS 2011

* included in county total

Earnings

- 3.24 Table 20 shows the median weekly earnings of people living and working in Uttlesford, in comparison to regional and national averages.

Table 20 – Median Weekly Earnings, Full Time Workers

Area	Gross Median Weekly Pay, £ (Analysis by place of work)	Gross Median Weekly Pay, £ (Analysis by place of residence)
Uttlesford	484.6	597.7
Essex County	500.2	559.1
East of England	505.8	539.1
Great Britain	520.2	520.8

Source: Annual Survey of Hours and Earnings 2014

- 3.25 The gross median weekly wage of Uttlesford resident workers is significantly above the national average (15 percent higher). However, the gross median weekly wage of workers working in Uttlesford is 7 percent lower than the national average. This reflects the generally higher levels of pay for those residents travelling to London for work, relative to the pay levels for the positions available in Uttlesford. This can be

indicative of difficulties in affordability of local housing options for workers working in Uttlesford.

Summary

- 3.26 Uttlesford had a 2013 resident population of 82,700 persons and has exhibited healthy population growth over the past decade. The community is highly educated and relatively affluent. Uttlesford endured the recession very well, with unemployment not increasing to concerning levels during the economic slowdown and has already returned to very low, near pre-recession levels.
- 3.27 The Uttlesford economy is dominated by micro and small businesses servicing a local market. Over 87 percent of businesses had less than 10 workers. The two largest industry sectors by number of businesses in Uttlesford were the professional, scientific and technical sector and the construction sector. These sectors would require office, research or small industrial premises. Furthermore, a significant proportion of the construction sector typically works from a home base.
- 3.28 However, the BRES data for 2013 reveals that the largest industry sectors in Uttlesford in terms of number of employees were the transport and logistics and education sectors.
- 3.29 It is noted that the number of VAT registered businesses in Uttlesford has only increased by 100, or 1.9 percent in the five years to 2014, in comparison to the population growth of 9.6 percent over the same period. This suggests increasing pressures to locate businesses, or find employment, outside of the Uttlesford District to service the growing employment demands of the population.
- 3.30 The proportion of the local workforce working mainly at or from home is above the regional and national averages, due to the rural nature of the District and the prevalence of very small businesses and the construction sector. The provision of services for home based businesses and opportunities for such businesses to relocate to purpose built premises should be considered in the planning for workspace in Uttlesford.
- 3.31 The review of commuting patterns of Uttlesford workers (both those resident in the District and those working in the District) revealed similar numbers of out-commuters to in-commuters in Uttlesford, with Stansted Airport being the major attractor for workers coming into the District for employment and destinations such as Greater

London, elsewhere in Essex, Hertfordshire (predominantly East Hertfordshire) and Cambridgeshire being important destinations for employment of Uttlesford residents.

4.0 PROPERTY MARKET

Introduction

- 4.1 The market conditions for employment uses is reviewed in this chapter, with analysis of the current availability of stock, a review of the historic level of enquiries for premises in the District and an overview of the general national property and business trends as relating to employment space.

Public Sector Property Enquiry Analysis

- 4.2 Invest Essex records data on enquiries from businesses looking for commercial space. The data has been reviewed to understand the County-wide market and Uttlesford's position in that market.
- 4.3 Enquiries data has been provided by Invest Essex from 2003 onwards. The data has been logged as a size range, where applicable. The analysis below has applied the maximum of any size range, as this study is assessing the capacity of employment premises to absorb future demand.
- 4.4 Table 21 sets out year by year analysis of the sector type of property enquiries for Uttlesford from 2003. The table shows the heightened level of recorded enquiries for premises in Uttlesford in recent years, which was exhibited throughout the County data. Therefore the reasons for this are more likely to be due to improvements in data collection than changes in the local market.
- 4.5 Since 2003 there were 125 enquiries for office space in Uttlesford and 66 enquiries for industrial premises in the District, approximately a 2:1 ratio. However, the number of enquiries have evened out between office and industrial since 2013, with 2014 recording slightly more industrial enquiries (28) to office enquiries (27). The early data for 2015 shows a preference for industrial premises.

Table 21 – Enquiries to Invest Essex 2003-15 for Uttlesford

Sector	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015 ytd	Total
Office	1	0	0	0	2	7	4	9	5	33	36	27	1	125
Industrial	0	0	0	0	2	2	1	1	1	4	21	28	6	66
Total	1	0	0	0	4	9	5	10	6	37	57	55	7	191

Source: Invest Essex February 2015

- 4.6 As Table 22 shows, most enquiries are for properties at the smaller end of the size spectrum, i.e. below 500 sqm, particularly for office space. The median floorspace for office enquiries was 139 sqm and for industrial premises was 323 sqm.

Table 22 –Sizes of Enquiries for Uttlesford since 2003

Type	Size Band, sqm							Total
	0-50	51-100	101-200	201-500	501-1000	1001-2000	2001+	
<i>Office</i>	21	27	38	22	11	4	2	125
<i>Industrial</i>	1	7	10	23	10	11	4	66
	22	34	48	45	21	15	6	191

Source: Invest Essex, February 2015

Property Supply

- 4.7 A schedule of the vacant floorspace being marketed in the study area (as at January/February 2015) has been compiled mainly from physical survey undertaken by a representative of BE Group in January, a trawl of commercial property agents' websites and consultations with agents. The marketed space is taken to be a reasonable approximation to that which is vacant – although there may be occupiers waiting for interest in their property before moving, and empty units not actually being marketed. The schedules for industrial (including warehouses and workshops) and offices and dedicated research space have been included in Appendix 3.

Industrial

- 4.8 Table 23 overleaf shows that there was some 12,339 sqm of marketed industrial floorspace, over 15 properties, identified in the study area.

Table 23 – Amount of Marketed Industrial Property

Area		Size Band, sqm							Total
		0-100	101-200	201-500	501-1000	1001-2000	2001-5000	5001+	
Saffron Walden	Floorspace, sqm			418					418
	Number of Properties			1					1
Great Dunmow	Floorspace, sqm				2,477				2,477
	Number of Properties				3				3
Stansted Airport	Floorspace, sqm			577	810	2,651			4,038
	Number of Properties			2	1	2			5
Thaxted	Floorspace, sqm						2,973		2,973
	Number of Properties						1		1
Start Hill	Floorspace, sqm				745				745
	Number of Properties				1				1
Elsenham	Floorspace, sqm			296					296
	Number of Properties			1					1
Rural locations	Floorspace, sqm			1,392					1,392
	Number of Properties			3					3
Total	Floorspace, sqm	0	0	2,683	4,032	2,651	2,973	0	12,339
	Number of Properties	0	0	7	5	2	1	0	15

Source: BE Group 2015

4.9 Only one built industrial premises was on the market in Saffron Walden. Saffron Walden has lost some long-term vacant premises in recent years to non-employment redevelopments. This includes the former Willis and Gambier site, which remains a vacant industrial building but is no longer on the market. However, the remaining stock is occupied and appears to be functioning well. The Ashdon Road Commercial Centre has approval for redevelopment, including light industrial and warehousing

components as part of a mixed use development. The following is a list of the approved land uses on the site.

Table 24 – Ashdon Road Commercial Centre Approval

Use	Use Class	Maximum Land Area, hectares
Builders Merchant and Yard (new Ridgeons premises)	B8	1.25
Offices	B1(a)	0.47
Offices/Research/Light Industry	B1(a), (b), (c)	0.4
Business/General Industrial/Storage and Distribution	B1, B2, B8	1.16
Local Centre	A1	0.86
Cafe/Restaurant/Public House	A3, A4	
Hotel	C1	
Up to 167 dwellings		4.78
Open space		

Source: Uttlesford District Council letter to applicant Ridgeons Properties Limited, 26 November 2014

- 4.10 12 of the 15 identified marketed properties were between 201 sqm and 1,000 sqm, reflecting the general mix of built stock of industrial and warehousing businesses in Uttlesford.
- 4.11 Not included in Table 23 is the as yet unbuilt floorspace of up to 21,440 sqm as a further stage of Stansted 600 at Stansted Airport. This approved and intended floorspace is currently being marketed as a pre-let option. This site would have the capacity to absorb mid to larger operations.
- 4.12 Critically, some 4,038 sqm in five marketed industrial properties were available within Stansted Airport, with its limits of uses relating to the aviation sector. This equates to approximately 34 percent of the available floorspace. It is likely that this represents an underestimate of the vacant floorspace in the Stansted Airport location with further space vacant but not currently on the market due to a lack of demand.
- 4.13 Building quality is broken down into three category assessments as shown in Table 25, based on the headline rents of the available units. Rental levels provide a reasonable indication of the general quality of a property without a detailed physical inspection. Table 26 shows that the majority of marketed industrial space in Uttlesford is of good or average quality.

Table 25 – Building Quality Assessment

Type	Quality Assessment – Rental Levels		
	Good	Average	Budget
Industrial	>£6.00/sqft	£3.50-6.00/sqft	<£3.50/sqft
Office	>£15.00/sqft	£5.00-15.00/sqft	<£5.00/sqft

Source: BE Group 2015

Table 26 – Quality of Marketed Industrial Property

Area	Quality		
	Good	Average	Budget
Saffron Walden		1	
Great Dunmow	1	1	1
Stansted Airport	3	2	
Thaxted		1	
Start Hill	1		
Elsenham	1		
Rural locations		3	
Total	6	8	1

Source: BE Group 2015

- 4.14 All industrial properties were available on a leasehold basis. Two of the premises, one in Stansted Airport and one at Thaxted, were also being marketed with a freehold purchase option.

Offices

- 4.15 Table 27 overleaf shows that there are 7,811 sqm of marketed office space in 39 premises in Uttlesford

Table 27 – Amount of Marketed Office Property

Area		Size Band, sqm						Total	
		0-50	51-100	101-200	201-500	501-1000	1001-2000		2001+
Saffron Walden	Floorspace, sqm	151	526	107					784
	Number of Properties	4	6	1					11
Great Dunmow	Floorspace, sqm	71	138	476					685
	Number of Properties	2	2	3					7
Stansted Mountfitchet	Floorspace, sqm	34		173	507	684			1,398
	Number of Properties	1		1	2	1			5
Stansted Airport	Floorspace, sqm				339	2,332	1,162		3,833
	Number of Properties				1	3	1		5
Elsenham	Floorspace, sqm					1,137			1,137
	Number of Properties					2			2
Clavering	Floorspace, sqm				207				207
	Number of Properties				1				1
Great Chesterford*	Floorspace, sqm		60						60
	Number of Properties		1						1
Hatfield Broad Oak	Floorspace, sqm		54						54
	Number of Properties		1						1
Takeley	Floorspace, sqm	23		113					136
	Number of Properties	1		1					2
Wendens Ambo	Floorspace, sqm		58						58
	Number of Properties		1						1
Widdington	Floorspace, sqm		51						51

Area		Size Band, sqm						Total	
		0-50	51-100	101-200	201-500	501-1000	1001-2000		2001+
	Number of Properties		1					1	
Rural locations	Floorspace, sqm		80	154				234	
	Number of Properties		1	1				2	
Total	Floorspace, sqm	279	967	1,023	1,542	3,664	1,162	0	7,811
	Number of Properties	8	13	7	5	5	1	0	39

Source: BE Group 2015

*Great Chesterford total excludes Chesterford Research Park, which is examined separately below

4.16 The above table does not include the as yet unbuilt office component of the Ashdon Road Commercial Centre redevelopment, which would have an office component space, depending on the final mix of uses built. The table also does not include the approved but unbuilt TriSail Towers project at Elsenham, which would have the capacity to accommodate some 6,500 sqm of office space in addition to retail, restaurant and lobby areas.

4.17 Stansted Airport included some 3,007 sqm of vacant office floorspace, in Endeavour House, Stansted House and Enterprise House. This floorspace is restricted to aviation related uses. The floorspace is 38 percent of the total vacant office floorspace stock in Uttlesford.

4.18 The median size of marketed office premises in Uttlesford is 93 sqm, reflecting the overwhelming majority of micro and small businesses in the District. The median sizes of Saffron Walden (80 sqm) and Great Dunmow (71 sqm) are smaller still, reflecting the town centre locations of the vacant premises in these towns.

4.19 Using the office rates of Table 25 above, the table below provides a summary of the quality of available office premises in the District.

Table 28 – Quality of Marketed Office Property

Area	Quality		
	Good	Average	Budget
Saffron Walden	2	9	
Great Dunmow		7	

Area	Quality		
	Good	Average	Budget
Stansted Mountfitchet	3	2	
Stansted Airport	4	1	
Elsenham	2		
Clavering		1	
Great Chesterford*		1	
Hatfield Broad Oak	1		
Takeley	2		
Wendens Ambo	1		
Widdington	1		
Rural locations		2	
Total	16	23	0

Source: BE Group 2015

*Great Chesterford total excludes Chesterford Research Park, which is examined separately below

- 4.20 The substantial majority of premises were available for leasehold only. One small Saffron Walden town centre property was available for sale and M11 Business Park, included in the Stansted Mountfitchet totals, are available for leasehold or freehold.

Research Space

- 4.21 The only marketed research space in Uttlesford is at Chesterford Research Park. This Park has built laboratory and serviced office stock as well as design and build opportunities. At present Chesterford Research Park is marketing serviced office space in The Mansion House, built laboratory space at the Science Village and laboratory/office space at the Downing Building, currently under construction. Quality of premises would all be rated good.

Key Proposals and Potential Additions

- 4.22 While there is limited choice of built stock currently on the market, there are some key developments which would add to the stock in coming years, including:
- TriSail Towers development at Elsenham, which would yield some 6,500 sqm of premium office space
 - Ashdon Road Commercial Centre, with the approval detailed in Table 22 above
 - Mantle Estates' Great Dunmow development which would include 2.1 hectares of employment land (B1, B2, B8)

- The potential release of vacant warehouse and office space at Stansted Airport from the aviation-related use restrictions or development of the North Side commercial area.

Valuation Office Data

4.23 The Valuation Office has provided data at the administrative area level for the number of hereditaments and total floorspace for office, industrial, retail and other premises. Tables 29 and 30 below summarise the Valuation Office data for Uttlesford, with comparisons to Essex, East of England and England.

Table 29 – Number of Hereditaments

Sector	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Percent Growth 03-12
<i>Uttlesford</i>											
Office	590	630	640	660	690	690	750	790	810	790	34
Industrial	850	860	840	830	830	790	800	800	840	830	-2
Retail	520	520	520	510	510	500	510	520	510	520	0
Other	270	280	290	290	300	290	300	300	300	310	15
<i>Essex</i>											
Office	5,580	5,790	5,930	6,130	6,280	6,490	6,730	6,980	7,200	7,260	30
Industrial	11,380	11,620	11,550	11,740	11,820	11,990	11,950	11,980	12,150	12,280	8
Retail	10,680	10,680	10,610	10,620	10,640	10,610	10,630	10,630	10,780	10,840	1
Other	3,590	3,620	3,550	3,590	3,640	3,650	3,680	3,720	3,740	3,760	5
<i>East of England</i>											
Office	26,050	26,680	27,060	28,020	29,060	29,800	30,660	31,770	32,530	33,060	27
Industrial	47,410	47,870	47,280	47,580	47,980	47,980	47,800	48,000	48,310	48,600	3
Retail	48,510	48,340	48,030	48,090	48,120	48,090	48,250	48,270	48,410	48,560	0
Other	15,510	15,560	15,920	16,030	16,150	16,190	16,340	16,430	16,550	16,640	7
<i>England</i>											
Office	269,350	274,440	279,810	288,640	296,510	304,150	312,590	324,300	334,070	340,890	27
Industrial	427,690	428,100	422,000	422,770	424,730	422,360	419,280	420,820	423,150	424,910	-1
Retail	531,650	529,250	522,260	521,380	520,750	520,230	520,480	521,100	525,470	527,860	-1
Other	126,260	126,310	132,250	132,580	133,090	133,160	133,440	134,320	135,080	136,110	8

Source: Valuation Office

4.24 Table 29 shows the strongest growth over the last decade in terms of hereditaments in Uttlesford was in the office sector, consistent with the regional and national trends. While the number of office entities in Uttlesford has increased by 34 percent between 2003 and 2012, as seen in Table 29, the total office floorspace has increased by 21

percent over the same period, the growth of which occurred in the first half of that period.

Table 30 – Total Floorspace ('000 sqm)

Sector	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Percent Growth 03-12
<i>Uttlesford</i>											
Office	77	89	89	92	95	95	94	100	100	93	21
Industrial	446	409	422	421	424	411	426	428	443	414	-7
Retail	80	81	81	81	81	78	80	81	81	82	2
Other	42	43	44	44	44	45	50	51	53	53	26
<i>Essex</i>											
Office	1,355	1,390	1,389	1,405	1,443	1,452	1,459	1,474	1,464	1,452	7
Industrial	6,697	6,751	6,739	6,786	6,758	6,670	6,688	6,693	6,687	6,682	0
Retail	2,363	2,411	2,416	2,458	2,487	2,499	2,510	2,531	2,557	2,571	9
Other	769	782	798	814	833	860	876	890	896	904	18
<i>East of England</i>											
Office	7,317	7,430	7,465	7,526	7,612	7,707	7,706	7,789	7,801	7,805	7
Industrial	33,182	33,237	32,986	33,057	33,214	33,609	33,312	33,477	33,477	33,299	0
Retail	10,918	11,052	11,004	11,173	11,295	11,410	11,457	11,575	11,606	11,661	7
Other	3,648	3,654	3,764	3,810	3,852	3,888	3,977	4,089	4,119	4,147	14
<i>England</i>											
Office	82,170	83,189	83,047	84,162	84,809	85,574	86,713	87,840	88,610	89,250	9
Industrial	322,092	321,751	320,706	321,235	321,396	319,125	312,665	307,847	305,662	304,853	-5
Retail	106,917	107,946	105,219	106,277	107,254	107,997	108,774	109,720	110,218	111,198	4
Other	33,624	33,817	35,358	35,798	36,251	36,517	36,894	38,504	38,804	39,114	16

Source: Valuation Office

4.25 The industrial sector in Uttlesford has experienced a slight decline (2 percent) in hereditaments over the decade to 2012, similar to a 1 percent decline in England, although this is in contrast to the positive growth of 8 percent in Essex County over this period. The total industrial floorspace in Uttlesford has decline from an estimated 446,000 sqm in 2003 to some 414,000 sqm in 2012 (7 percent decline), however this decline has not been uniform over that decade. Looking at the 10 years of data, the highest level was recorded in the first year, 2003, and the lowest point recorded in the following year. 2011 recorded the second highest level of floorspace, before once again declining in 2012. Therefore, it is probably most appropriate to say that, ignoring year on year fluctuations, that there has been no growth (positive or negative) in industrial floorspace over the 2003-12 decade.

Modern Occupier Needs and the Emerging Property Trends

- 4.26 BE Group through its long experience operating in the commercial property market across the UK, as well as in the study area specifically, understand market perceptions and the conditions facing the industrial and office sectors. The following sub-sections draws upon this market experience, providing a brief commentary on modern occupier needs and emerging trends within both sectors.

Modern Occupier Needs

- 4.27 In this sub-section the report outlines what modern businesses are looking for in terms of their property, as well as those developers providing space for them.
- 4.28 There are two key property sub-markets to consider in understanding the demand for premises. The first is the demand from companies looking for premises for their own occupation; the second, which is necessarily derived from the first, comes from specialist property developers who will provide solutions for these companies.
- 4.29 Many end-user companies, especially small ones, looking for accommodation prefer occupying an existing building to either organising the construction of one for themselves or entering into a design and build agreement with a developer. This is due to the management time involved and the long lead-in whilst premises are built; while it may also be difficult to rationalise and visualise such an important acquisition off-plan. Furthermore, smaller end users are generally less cognisant of the development process, have less capacity to project manage and fund a new build and less resources to commit to the project.
- 4.30 Having premises built for owner occupation requires a long lead-time to cover the planning, negotiation and construction time involved often greater than 12 months. Furthermore not every company wants a brand new building, partly because they are generally more expensive than second-hand ones.
- 4.31 Experience shows today's companies want well located, accessible space. Specification, parking, external loading and the quality of the immediate environment will all be factored into the decision to acquire.
- 4.32 However the recent combination of low interest rates and the depressed stock market has led to an unusually large number of companies looking to own their premises (although current market conditions have softened this due to the lack of

available finance). One route to achieving this is by developing their own site, especially if they cannot find a suitable freehold property. Nationally most requests for such small sites to enable self-build are of less than 0.4 ha in size.

- 4.33 Although design and build options can be convenient, they are quite expensive because the controlling developer makes its profit not only on the land sale, but also on managing the building process. Consequently if the company is able, some prefer to buy land direct and organise building contractors themselves. This is especially the case with lower value added industries where high quality buildings are of secondary importance. However without strong planning control this scenario can lead to business areas of lower aesthetic value and layout.
- 4.34 Developers acquiring sites consider the nature of the market, as outlined above, as well as the potential for speculative development, i.e. riskier, supply-led, rather than demand-driven construction. They also prefer to acquire prominent, (easy to develop) greenfield sites close to arterial roads or motorways because irrespective of sustainable transport policies, private transport still predominates. They naturally want land that is attractive to end-users. Furthermore property development is intensely entrepreneurial and extremely price sensitive. So although land may be available on the open market, if it is at too high a price, then the developer will not acquire it.

Emerging Property Trends

Industrial

- 4.35 Occupiers are generally looking for smaller premises as average company size, in terms of number of workers, continues to decrease. In line with rising aspirations and a concentration on higher value added activities, companies are looking for higher quality accommodation. In rural areas company sizes are generally already small; and the desire for high quality is less of a priority due to affordability issues. Successful industrial businesses typically require dedicated, self-contained, secure yard areas, and for units over 2,000 sqm the trend seems to be at least one dock level loading bay and a 40 metre turning circle to allow heavy goods vehicles access into and out of the unit.
- 4.36 Large requirements, above 10,000 sqm, are comparatively rare, and where they do exist are generally for distribution warehousing or specialised production/laboratory

facilities. Excellent access to the motorway network and a significant urban area are key requirements for such entities. This is seen in the Essex market with the larger urban areas such as Braintree or Harlow attracting larger premises. Most deals for larger premises are contract-led with a flurry of activity as a number of specialist distribution companies look for units, before one of them secures the contract on offer. However these companies generally cannot wait for a bespoke warehouse to be built for them and so, due to the rarity of such large, available buildings their search areas are increasingly wide.

- 4.37 Freehold demand is relatively strong as a result of low interest rates, poor stock market pension performances and increased private sector interest in property investment. However, this is a market that has been constrained by supply in Uttlesford, with an irregular and small quantity of available stock on the market.
- 4.38 Outsourcing of many aspects of the production and distribution process has led to a declining need for traditional, large scale, all-encompassing manufacturing facilities. This is gradually being replaced by smaller, sub-assembly light manufacturing space. Shorter leases (five years) and break clauses (three years) are now becoming much more common.

Offices

- 4.39 For offices the trend is for smaller suites as average business sizes fall. There are two strands to this. Micro-businesses (those with less than ten employees) often want serviced offices or similar types of easy-in, easy-out schemes that lower their risk of exposure. This is reflected in the success of a business centre such as Thremhall Park. Small businesses (with 10-49 employees) typically are looking for offices in the region of 150-500 sqm.
- 4.40 Improving technology means specifications are changing, for example wireless networks may soon make raised floors superfluous and make the conversion of Victorian and other similar buildings easier. Changes in working practices also means that floorspace requirements are reducing through home working and hot-desking. There has also been a cultural shift in office based businesses to accepting higher densities in the workspace.
- 4.41 In line with rising aspirations and a concentration on higher value added activities, successful companies are looking for higher quality accommodation. For example air

conditioning is becoming almost a standard requirement in new schemes, which pushes up rentals by £5-10/sqm on average. Furthermore some occupiers (looking for more than 200 sqm) increasingly want self-contained premises, i.e. their own front door, toilets, reception, utilities, etc. There is increasing demand for relatively short leases (one to three years), which helps account for the increasing popularity of serviced offices.

- 4.42 Prior to the credit crunch, freehold demand was strong. However, as with the industrial market, the recession and lack of available finance is constraining this sub-market and has largely eradicated speculative development, outside of major city centres. Again, where there is demand, the lack of available premises, particularly for sale, is a factor in suppressing the market.
- 4.43 Occupiers requiring higher skills, especially those linked to key growth sectors will be concerned about access to an appropriate pool of skilled labour, which can drive demand towards city centres, research facilities and higher education institutes.
- 4.44 Property will need to be increasingly flexible to accommodate research-based manufacturing space as more complex processes develop, but still within an office environment. Clustering around like-minded companies will also drive demand to key business park locations, with good availability of 'white collar', knowledge-based, skilled staff. Other businesses will require central urban locations such as the professions and creative industries, where face-to-face contact is important or where public transport is important to attract staff.

5.0 PROPERTY MARKET – ANALYSIS

Introduction

- 5.1 This section considers the more detailed issues related to supply and demand for industrial and office property within the study area as a basis to identifying gaps in the provision of workspace in Uttlesford. The comments of agents active in the District's industrial and office property markets are analysed. The industrial market refers to accommodation for manufacturing, storage, distribution and warehousing purposes including smaller workshop premises.
- 5.2 Nine commercial agents were contacted by email and telephone requesting an interview of the local property market, with five agreeing to the discussion. Responses were obtained from local agents. To protect anonymity of individuals and organisation, names of commentators are not revealed.
- 5.3 These are stakeholders who are actively engaged in the sale and/or lease of industrial and office premises 'on the ground' and so have good firsthand knowledge of the market in and around Uttlesford. The views they give provide useful practical input which balances the higher level evidence provided by forecasting and policy analysis.
- 5.4 Agents were interviewed by telephone or face-to-face to undertake a semi-structured interview which focused on the following questions:
- What are your opinions of the workspace market at present?
 - What units are you currently marketing? What are businesses looking for?
 - Review property offer – office, industrial, land – is there enough property and is it good enough quality?
 - Are they mainly freehold or leasehold – is there a shortage of either one of these?
 - How quickly are units letting? What are popular sizes? What sizes do not find occupiers?
 - Are certain areas more popular than others?
 - Weaknesses and shortfalls in existing offer – what can be done about it?
 - Are there any key aspects that the Council needs to address? What is the private sector's perception of the place? How is Uttlesford viewed in terms of inward investment?

- What is the average price per square foot/square metre for the office/industrial premises you represent?

5.5 Their views have been summarised in a series of tables. Table 31 provides a breakdown of the general comments received with regard to conditions across the whole of Uttlesford's commercial property market.

Table 31 – Property Market Comments – General

Contact	Comment
Local Agent	<p>Uttlesford is three separate markets, Saffron Walden, Stansted and Great Dunmow and needs to be looked at as such. It has the advantages of being accessible to London and Cambridge and has Stansted Airport, M11 and M1.</p> <p>There is generally a shortage of quality options for commercial premises in Uttlesford. While there are several smaller office suites (180-460m²) there is no real agglomeration of stock. In particular, there is a lack of campus style office stock offering 1,800-2,500m² or even up to 7,000-8,000m² floorspace. Could do with more projects similar to Mantle's Thremhall Park.</p> <p>While converted barns offer a reuse of existing built stock, these facilities are difficult to shift, even allowing for cheaper rents.</p>
Local Agent	<p>Overall the market is good. The agency is running out of stock available. Industrial market is quite buoyant with the office market starting to come back.</p> <p>Uttlesford loses businesses/occupiers to larger markets such as Braintree, which have bigger premises on the A120.</p> <p>The vast majority of enquiries (about three-quarters) are from local businesses looking to relocate premises.</p> <p>The gaps in the market are across the board, there is currently a good balance between the types of workspaces in Uttlesford, but the quantity of those premises is insufficient. In particular there is a lack of sites for larger industrial premises (10,000-30,000m²).</p>
Local Agent	<p>There is a shortage of premises across Uttlesford, most employment areas are full or practically full. Any sites of quality will go very quickly, but rarely come up. The market seems to have changed in the last 14 months, before that it was slower.</p> <p>Commercial premises throughout Uttlesford are occupied by local companies, it does not attract larger businesses. Inquiries for premises tend to be local businesses looking to expand/upgrade premises. Uttlesford areas do not tend to get much of the London overflow.</p>
Local Agent	<p>The market is quite tight, there is not much available for either rent or to buy. Therefore when something becomes available it gets taken up quite quickly. The market is limited by the availability of stock.</p>

Source BE Group, 2015

5.6 Table 32 provides a summary of the comments received from stakeholders with regards to the local industrial property market.

Table 32 – Property Market Comments – Industrial

Contact	Comment
Local Agent	<p>Similarly to the overall market, there is a lack of supply of industrial premises.</p> <p>Southern areas are better locations for industrial, Saffron Walden is more difficult for trucks to access.</p> <p>Industrial struggles because, while there is good access to London and east coast, it is difficult to get to other areas of UK. Need to use A roads to get to motorway network.</p> <p>Average rent for existing stock would be about £65-75/m², with new build stock probably going for about £100-110/m².</p>
Local Agent	<p>The industrial market is quite buoyant with availability of stock being the main limiting factor. Uttlesford has significant industrial locations just outside of its borders (Braintree, Bishop's Stortford, Harlow) that are more competitive and can accommodate larger businesses.</p> <p>Inquiries for the area are generally for properties up to about 500m² (about 60-70% of inquiries), with rates about £50-90/m² depending on age and quality of stock. Terms are typically 3-5 years.</p> <p>Particular lack of stock of larger premises (10,000-30,000m²). Harlow provides opportunities for larger operators but not as close to Stansted Airport.</p> <p>The build market is starting to pick up for larger premises, although very difficult for smaller stock.</p>
Local Agent	<p>The industrial sector maintained a relatively steady demand right through the recession and continues to perform well. Most industrial premises are full, with only substandard premises (difficult to access, too small, old, etc) available.</p> <p>Uttlesford needs more industrial space, needing more of a range of sizes, in multiples of about 250m².</p> <p>Businesses that require larger premises generally tend to go to Braintree or Harlow.</p>
Local Agent	<p>The Saffron Walden market is very tight, with little available for rent or buy. Typically businesses want fairly small units (100-150m²). Anything less than 300 m² is fairly readily lettable. Mid size premises (above 500m²) tend to take a while longer to be taken up. Larger site (above 1,800m²) is a smaller market but because there is very little available, when it comes available it tends to go quickly.</p>

Contact	Comment
	<p>Existing, refurbished stock about 150m² rents about £55/m². New stock would achieve about £70/m².</p> <p>Freehold enquiries have been a little bit stronger than leasehold enquiries.</p>

Source BE Group, 2015

5.7 Table 33 provides a summary of the comments received on the local office market.

Table 33 – Property Market Comments – Office

Contact	Comment
Local Agent	<p>Lack of larger premises, including campus style office developments. There are several suites catering to smaller operators but not medium size or larger premises.</p> <p>Rents available in Bishop's Stortford would be about £150-170/m², probably higher than otherwise in Uttlesford but cheaper than Cambridge at about £220-260/m².</p>
Local Agent	<p>The office market is not as buoyant as the industrial market but is starting to come back. Key consideration is there is not much stock of good quality. Businesses either take less than adequate stock or go elsewhere.</p> <p>Endeavour House is sitting vacant at Stansted Airport due to aviation use restrictions. It is quality stock that is "ready to go", but due to regulations it cannot be leased as there is not much demand for aviation.</p> <p>Quality office premises would achieve rates of about £215/m², with the more typical, older stock achieving £150-160/m² and very small "rabbit warren" stock achieves about £110-130/m².</p>
Local Agent	<p>The office market seems to have gone from bust to boom very quickly recently. Grade A accommodation is needed, especially in Saffron Walden.</p> <p>Businesses seeking larger office space tend to go to Cambridge or Chelmsford.</p>
Local Agent	<p>There is quite a bit of small office space available in Saffron Walden that tends to stay on the market for quite some time. Also there is some availability of reconverted barns around that takes a while to lease.</p> <p>The office market is predominantly for those looking for 1-3 person accommodation.</p> <p>There are no serviced offices or campus style offices in and around Saffron Walden, there might be a market for serviced offices. Chesterford Research Park is similar but only for research purposes.</p>
Local Agent	<p>The office market is quite tight in the southern half of the District.</p>

Source BE Group, 2015

5.8 Table 34 provides a summary of the comments received on the Saffron Walden property market.

Table 34 – Property Market Comments – Saffron Walden

Contact	Comment
Local Agent	<p>Saffron Walden is not a “big shed” town, any take-up of premises is likely to be by local operators relocating within Saffron Walden. Therefore a new tenant is more likely to be a smaller business requiring less floor area. Could potentially get up to 2,000m² for a single operator, but more likely smaller, less than 1,000m²</p> <p>Saffron Walden’s industrial premises have particular difficulties accessing the motorway because they are on the eastern side of the town, with access through the town and onto the motorway difficult for trucks. Has been difficult marketing industrial/warehousing premises in Saffron Walden.</p>
Local Agent	<p>Saffron Walden’s enquires are always local, it does not attract businesses serving a wider market. Due to road access, Saffron Walden does not suit distribution businesses.</p> <p>Shire Hill Industrial Estate is 100% occupied and generally supply for industrial is non-existent. Rent rates would generally be about £55-75/sqm.</p>
Local Agent	<p>Saffron Walden is full for offices and it needs quality office space. Shire Hill industrial estate is full.</p> <p>Rents for industrial in Saffron Walden are achieving £55-65/m² and for offices about £130-150/m².</p>
Local Agent	<p>This market is very tight for industrial. There are a range of small office premises available in the town centre, which tends to stay on the market for quite some time.</p> <p>As Saffron Walden is an historic market town, there are physical constraints for businesses, such as access for trucks having to go through the town centre to get to the industrial areas. Also the available office stock is in listed buildings above retailing and is thus constraints in layout and what businesses can do with it.</p> <p>The Saffron Walden industrial market is very tight, with little available for rent or buy. Typically businesses want fairly small units (100-150m²). Anything less than 300m² is fairly readily lettable. Mid size premises (above 500m²) tends to take a while longer to be taken up. Larger site (above 1,800m²) is a smaller market but because there is very little available, when it comes available it tends to go quickly. If businesses cannot find appropriate stock in Saffron Walden they might go to Haverhill, which has larger industrial premises, but has poor access to the motorway, so it is not ideal.</p> <p>Existing industrial stock about 150m² achieves about £55/m² in rent. New stock would achieve about £70/m².</p>

Source BE Group, 2015

- 5.9 Table 35 provides a summary of the comments received on the Great Dunmow property market.

Table 35 – Property Market Comments – Great Dunmow

Contact	Comment
Local Agent	This market is very tight, with availability of any stock, in particular good quality stock, at short supply. The agency only has one site on the books, an older property about 700m ² for sale or lease. Typically rents are about £55-75/m ² .
Local Agent	Great Dunmow industrial estates are practically full, only a small number of substandard premises available. Great Dunmow could support further industrial premises with good access east and west. Rents for industrial in Great Dunmow are achieving £55-65/m ² and for offices about £110-130/m ² .

Source BE Group, 2015

- 5.10 Table 36 provides a summary of the comments received on the Stansted property market.

Table 36 – Property Market Comments – Stansted

Contact	Comment
Local Agent	The aviation policy restrictions on uses within Stansted Airport land is the key limiting factor for premises being taken up. Has 18 acre site that has the aviation use restrictions on the site for which there is no interest. Endeavour House is also sitting vacant due to aviation use restrictions. It is quality stock that is "ready to go", but due to regulations it cannot be leased as there is not much demand for office-based aviation. The aviation policy restrictions on uses within Stansted Airport land is the key limiting factor for premises being taken up.
Local Agent	Stansted Mountfitchet is performing well with very limited vacancies. It could do with further stock, particularly for start-up businesses, but also for the next stage of development of a business.

Source BE Group, 2015

Summary

- 5.11 The overwhelming theme emerging from the consultation with agents active in the Uttlesford market was the lack of stock in the market. All respondents mentioned the tightness of the local market, particularly in the industrial market.
- 5.12 The market is being limited by the availability of stock. The general consensus was that when stock becomes available it goes quickly and there are businesses

struggling to find adequate stock. Activity in the market is slowing due to the lack of adequate supply, rather than a slowing of demand.

- 5.13 There is a dearth of quality stock in the market. Stock that is available is often inadequate for businesses requirements and thus may stay on the market for some time, but this can mask the lack of stock of sufficient quality. Agents have reported being unable to find sufficient premises in Uttlesford to meet the needs of prospective tenants.
- 5.14 The industrial market is the tightest employment market in Uttlesford. The market is constrained by the shortage of supply of adequate stock. The respondents generally agreed that the Uttlesford market could do with further stock across the size spectrum. The larger nodes for industrial premises outside of Uttlesford (e.g. Braintree, Harlow, Bishop's Stortford) were identified by some respondents as limiting Uttlesford's opportunities in the industrial sector. The tightness in the market identified by the agents is in contrast to the oversupply of stock identified by agents consulted in the preparation of the Employment Land Review in 2011.
- 5.15 The office market in Uttlesford has improved in recent times. Once again the respondents reported that there is a lack of supply for premises, particularly quality stock or larger premises.
- 5.16 Saffron Walden is recognised as a local market and thus is considered a market for smaller premises. The respondents identified the physical constraints within Saffron Walden that limit its potential to attract industrial business, in particular the awkward access to the M11 and the need for trucks to go through the town centre to get to the industrial estates. The lack of quality office space, particularly mid to larger premises, was identified by some respondents, with only very small, above retail premises on the market.
- 5.17 Great Dunmow is also considered a tight market, but is more of an industrial town than Saffron Walden, due to better access to major arterial roads. The lack of available stock was identified by respondents and it was stated that Great Dunmow could support further industrial stock.
- 5.18 The policy restrictions at Stansted Airport limiting uses to aviation-oriented businesses have led to market failure in this location. Long term vacancies of both warehousing and office stock are due to the restrictions severely limiting the available market for such premises.

5.19 The rents being achieved in Uttlesford are at reasonable levels, reflecting the tightness of the market. Such rents should not preclude new stock being built in terms of project viability.

6.0 STAKEHOLDER CONSULTATION AND BUSINESS SURVEY

Introduction

- 6.1 In addition to the consultation with locally active agents, the study included consultation with key stakeholders in the public and private sectors. This was to gain a detailed understanding of the local policy and market issues in Uttlesford. The consultation was undertaken through face to face and phone conversations. The below section provides a summary of the discussion points from each entity.

Business Organisations

- 6.2 Representatives of local business organisations were consulted to gauge the business community's satisfaction with existing employment space and identify gaps in the provision of space.

Saffron Walden Friends

- 6.3 Saffron Walden Friends is an informal networking group that meets once a month to discuss a range of topics, not restricted to business topics. The group is not membership based but does have a regular base of attendees.
- 6.4 The representative of Saffron Walden Friends identified a lack of employment space in Saffron Walden. While office space was not considered a concern, the shortage of storage and manufacturing space was identified as a problem for Saffron Walden.
- 6.5 The representative stated that Saffron Walden had a need for quality, attractive new premises for employment, in keeping with the existing aesthetic of the town. Developers ought to be encourage to build attractive buildings to promote quality, with the recent development on Thaxted Road ('brown and ugly') cited as a wasted opportunity.
- 6.6 Saffron Walden Friends' representative stated that the Council could do more to assist businesses and employment space growth by providing subsidies on business rates, being aggressive in promoting the region and attracting businesses, promoting the arts sector and providing further facilities for young people.

Stansted Airport Regional Business Association

- 6.7 The Stansted Airport Regional Business Association is a small business association, providing support and advice for local business and start-ups. The Association promotes the use of local businesses throughout the supply chain. The Association is

comprised of small businesses in the southern Uttlesford area, particularly Great Dunmow and Stansted. It wants local organisations and individuals to benefit from the location of Stansted Airport nearby.

- 6.8 The respondent stated that there was a need to encourage businesses in Great Dunmow. These are smaller businesses and thus need reasonably small premises. Industrial premises are likely to be taken up by micro-businesses or trade/vehicle based premises. Therefore they are likely to need small units providing a small office, storage room for tools and a small workshop.
- 6.9 Larger businesses have limited options in Uttlesford. There is space around the Airport, with some vacant buildings, which could accommodate specialty airport related uses. Otherwise, the respondent stated that there were very limited options for larger businesses in Uttlesford.
- 6.10 The representative of the Association questioned where the exhibit or conference space was in and around Uttlesford, the lack of which may be a detractor for businesses.
- 6.11 Uttlesford is part of the critical M11 corridor linking Cambridge, London and on to Europe. The A120 is also a key piece of infrastructure for Uttlesford, meaning that Stansted and Great Dunmow are good locations from which to do business. Further infrastructure needed would be a direct tube link with Stansted Airport and further rail infrastructure that means passengers can access the rest of the country without first heading back to London.
- 6.12 To attract businesses, the Association's representative stated that three things need to be in place – employees, land and connectivity. The representative stated that Uttlesford can supply the land, has reasonable skills and has connectivity, notwithstanding some linkage problems. Uttlesford Council can assist by being more helpful to business growth and less litigious in the planning process.

Stansted Business Forum

- 6.13 Stansted Business Forum is a business networking organisation for Stansted Mountfitchet to promote local enterprises.
- 6.14 The respondent identified the lack of available space for businesses in the village of Stansted Mountfitchet and could not recall a site currently available. The village has

about 40 businesses, predominantly micro-businesses but also larger operations such as City and Country property developers, which has about 40-50 workers.

- 6.15 The respondent cited the Forest Hall housing development as providing a boost for local businesses, by increasing the village's population, thereby increasing business activity. Economic activity was slow before the development and completion of this project. Further housing growth around the village should provide a further boost for businesses and would probably support further businesses.
- 6.16 A range of workspace would be required in Stansted Mountfitchet. Initially very small space for 1-2 person businesses would be required. However, these businesses would require options for when they expand, otherwise they would be lost to other locations in the area, such as Stansted Airport or Bishop's Stortford. Area behind Tesco may be an area for further business expansion or development.
- 6.17 Stansted Mountfitchet rents are reasonable and considered affordable compared to Bishop's Stortford or Saffron Walden. As the supply in those larger areas is constrained and Stansted Mountfitchet is located between the two, perhaps the village could use this as a strategic advantage.
- 6.18 The Airport would benefit from having a stronger relationship and understanding with local residential communities to understand further what its workforce is and where it comes from.

Public Agencies

- 6.19 Public agencies at the District, County and regional level were consulted to gain an understanding of local policy and the wider context in which Uttlesford's economy operates.

Invest Essex

- 6.20 Invest Essex is part of Essex County Council and is tasked with bringing investment to Essex County. Invest Essex acts as a liaison between the private sector and public agencies. The organisation represents all districts and boroughs in Essex equally.
- 6.21 The focus of operations for Invest Essex has evolved from promoting existing capabilities to promoting opportunities in the County. Four key opportunity sectors are promoted in Essex – manufacturing and manufacturing services, health and life sciences, port and logistics and finance and business services. The organisation has an outward marketing focus, with offices in China and North America to encourage

international investment in the region and to assist local businesses with opening up export markets.

6.22 The representative of Invest Essex highlighted the importance of the M11 corridor and the opportunities for businesses located there. Some anecdotes related to workspace that the representative mentioned in the discussion included:

- A business in Saffron Walden looking to expand has struggled for some time to find good quality industrial premises. When an option eventually came up the business took it quickly
- A US-based investor was attracted to Chesterford Research Park for its proximity to Stansted Airport and the opportunities that the airport enables to connect with suppliers/markets and with headquarters
- A current client in Bishop's Stortford is looking for new premises and is struggling to find good quality space.

6.23 Invest Essex operates and manages several Enterprise Centres throughout the County, which are serviced offices providing space for small enterprises. The centres operate at market rents and report about a 90 percent occupancy rate. Invest Essex is currently investigating options to roll out the model in other locations throughout the County.

6.24 Invest Essex's representative stated that the challenges for workspace in the County were:

- A lack of good quality space generally in Essex
- While there may be some areas with high vacancy rates, this space is old and a poorer quality than the market expects and thus has been on the market for some time
- There is a particular lack of 100-500 sqm industrial space in the County
- There is a lack of small office space up to 100 sqm in the County
- The office market is particularly tight around the Stansted area, which attracts businesses from London with cheaper rents and excellent transport logistics.

6.25 It was the opinion of the representative of Invest Essex that Uttlesford is two markets, the northern half of the District should be orienting itself towards Cambridge, which is a market that is overheating. The northern half of Uttlesford can service some of this overflow from Cambridge. Therefore this area should be particularly targeting and be ready for the life sciences sector. The region should be aware of the location of Astra

Zeneca into Cambridge and the potential for auxiliary businesses relocating to be close by this operator. Chesterford Research Park was cited as an example of a developer that understands the needs of the life sciences sector and could lead other developers or Council in providing for this sector.

- 6.26 The second market in Uttlesford is the southern area focussed on Stansted Airport. The airport and the surrounding area have considerable growth potential, including as a transport hub, aviation services, support services and business services. The TriSail Towers development was cited as a leading example in this area.
- 6.27 The representative saw the developer market as still having a reluctance to build speculatively despite the recognition of it being a very tight market. There is some expectation that the public sector would underwrite some developments to provide stimulus to the property market. The respondent stated that property prices are increasing as supply decreases, with many businesses struggling to find good quality space.

Essex County Council Economic Development

- 6.28 The Economic Development agency of Essex County Council is concentrating on growing the region's economy through the sectors identified in the County's Economic Plan – advanced manufacturing and technology, health and care economy, renewable and low carbon industries, digital science and creative sector and transport, ports and logistics. Economic Development's current projects do not currently include any capital projects in Uttlesford, although is looking to improve the A120 corridor further east of Uttlesford, which may indirectly benefit the District.
- 6.29 The representatives of Economic Development that were interviewed consider that there is a general shortage of start-support for businesses and support for the next stage of business development. They consider that Uttlesford also has such a shortage and the study should look at addressing this. Further, it is considered that the study should consider growth in the waste recycling and minimisation sector which is being expanded in the County and would require further industrial locations.
- 6.30 The representatives understand that Stansted Airport is looking to expand its routes to include long-haul destinations and this is supported by Economic Development. The growth of the airport has flow-on implications, such as need for further childcare services, other services for workers, apprenticeships, etc that would need to be considered.

- 6.31 The representatives discussed the decision-making processes of businesses looking for workspace. The businesses consider accessibility for workers, clients and supply chains and connectivity to highways and towns. Accessibility for workers coming into the District for work would be improved with upgrades of the A120 east of Uttlesford or increasing the capacity of the West Anglia line. However these pieces of infrastructure would benefit other areas or other workers more (e.g. commuters to London using West Anglia line).
- 6.32 The representatives stated that superfast broadband is very important for modern businesses and highlighted that the current level of service in Uttlesford is the worst in the County.
- 6.33 In a discussion of potential further employment land growth in Uttlesford, the representatives recognised that the draft Local Plan identified the bulk of the population growth being in the southern half of the District and therefore decisions on further employment land should be consistent with this to encourage sustainable growth.

London Stansted Cambridge Consortium

- 6.34 The London Stansted Cambridge Consortium is a membership based organisation consisting of institutional members from the public and private sectors, including local authorities, colleges of further education, universities and businesses. The objective of the organisation is to raise the profile of the corridor and to promote its economic growth potential. The organisation's current focus is lobbying for infrastructure improvements, such as upgrading the West Anglia line and generally promoting rail investment in the region and promoting the region's life sciences sector.
- 6.35 The main part of Uttlesford that is on the radar for the Consortium is Stansted Airport. The representative of the Consortium highlighted the critical importance of the Airport for the corridor, including its role for Greater London. It currently represents substantial jobs and economic activity for the region. With its capacity under its licensing arrangements to almost double its throughput of passengers, there is considerable potential to commensurately grow its economic activity and jobs. Its growth into the long-haul markets to the Middle East and North America is important in increasing the Airport's profile to a globally significant airport, benefiting the region. The Consortium supports Uttlesford District Council's relaxation of restrictions regarding non-aviation uses around the airport as proposed in the draft Local Plan.

- 6.36 The representative stated that the Council is a strong partnership member and supports the study. The representative stated that the towns of Uttlesford tend to get overshadowed by the Airport and have a significantly lower profile. In the northern half of the District, it is difficult to know where Cambridge ends and Uttlesford begins. Therefore one could infer that Uttlesford could benefit from some overflow of demand generated for premises around Cambridge. However, the representative is aware that Cambridge is focussing its development to the north of Cambridge, which could reduce demand to the south. Notwithstanding this, as Cambridge becomes more expensive there would be opportunities for Uttlesford and Harlow in the south.
- 6.37 The representative stated that Uttlesford is well blessed with highly skilled workers, most commuting to London or Cambridge. However the representative queried whether there were sufficient jobs for lower skilled workers.
- 6.38 The representative stated that developers are looking for managed sites in the corridor. Freight and logistics are obvious sectors for the corridor and there is the potential for life sciences/technology. In such a sector, it is not so much research space as business incubation or managed space that would be required.

East Hertfordshire District Council, Economic Development

- 6.39 A representative of the Economic Development department of East Hertfordshire District Council was contacted to discuss overlapping employment issues and opportunities for Bishop's Stortford, just over the border in East Hertfordshire and having a role in the Stansted market.
- 6.40 The representative of East Hertfordshire highlighted the similarities of Uttlesford and East Hertfordshire, the small towns and villages surrounded by significant green space. This implies that both areas would generally be looking at fairly small scale developments. Furthermore, both areas are dominated by small to medium enterprises serving a local market. There is no apparent specialisation of industries in the district, rather there is significant diversity.
- 6.41 In regards to Bishop's Stortford, the representative stated that the town has a reasonable quantum of industrial sites, although some of the industrial estates are old and constrained by roads or the town growing around them. The representative stated that the town's businesses serve a local market, with businesses locating in the area mainly due to it being proximate to senior managements' residences. The representative considered that employment areas in Bishop's Stortford do not have a

particularly strong relationship to Stansted Airport, probably due to many of the local businesses predating the growth and development of the Airport.

- 6.42 The representative considered that this locality is best considered as a corridor, with towns such as Bishop's Stortford, Harlow and Great Dunmow having different economic functions and profiles. At the broader level, looking at the London to Cambridge corridor was an appropriate way of looking at the region. It was their opinion that the Harlow Enterprise Zone does not draw businesses or economic activity out of Bishop's Stortford, rather it enhances the corridor.
- 6.43 The representative stated that opportunities for the office market include Raynham Road (for larger premises), Bishop's Stortford town centre (with a shrinking retail presence this is consider to increase), Hertford and at the edges of existing townships. The Council is looking at options to get further employment space as part of housing developments, such as North Bishop's Stortford.

Developers

- 6.44 Current developers of key employment sites in Uttlesford were interviewed to gain an understanding of the active developments in the District.

Chesterford Research Park

- 6.45 Chesterford Research Park is a campus-style research facility on a large, secluded site near Great Chesterford. The site is owned by Aviva Life and Pensions and the developer of the site is Church Manor Estates. Chesterford Research Park has a planning constraint limiting uses to research facilities, which reflects the long term intent of the owners for further development of the site, although the withdrawn draft Local Plan was looking to relax this restriction to include high quality office accommodation. The Park currently provides employment for some 750 workers.
- 6.46 The tenants of Chesterford Research Park are overwhelmingly in the bio-technology sector, specifically DNA, cancer and drug research. There is no planning consent or owner policy that has limited the research uses to the bio-technology sector, rather this mix of tenants has emerged organically from the market's demand, in particular the life-science focus of the Cambridge cluster. There is one electronics firm within the Park.
- 6.47 The Chesterford Research Park includes central, common facilities within the Nucleus building, surrounded by a range of office and laboratory buildings. The

Nucleus includes gym, bistro, meeting rooms and function centre that reflects the out-of-town location of the Research Park making it necessary to provide a higher degree of auxiliary facilities on site for businesses and their workers. The representative of Chesterford Research Park does not consider that such facilities add to the rent they are able to charge, but does improve the attractiveness of the site for potential tenants, which is critical given the site is removed from both a town/village centre and the core of the Cambridge research cluster.

- 6.48 New projects in Chesterford Research Park include the Science Village and the Downing Building. The Science Village comprises a purpose built laboratory/office suites from 140-185 sqm and attract rents of £340/sqm for a fully fitted out laboratory. The Downing Building is being advertised as a design and build, pre-let opportunity for about 2,600 sqm of laboratory/office space. Serviced offices providing short and long term rent arrangements are located in the central Mansion House. Such facilities can be taken up by on-site businesses as they expand (which can happen quickly in the research sector) or from supportive businesses, such as consultants or business banking. Rents are approximately £450/sqm.
- 6.49 The respondent stated that the determinants for businesses in locating to Chesterford Research Park are its location near to Stansted Airport and the opportunities that opens to markets/suppliers in Europe and potentially long-haul routes, its proximity to Cambridge and its rural location. The site's location relative to Cambridge is seen both as being on the edge of the cluster, but somewhat removed, limiting its attractiveness. Furthermore, its rural location is seen as very amenable but dislocated from services and markets, therefore requiring workers to have private transport. The respondent considered that the Park's tenants did not have a significant economic relationship with London.
- 6.50 The site's location at the edge of the Cambridge cluster, but removed from public transport networks and the centre of economic activity, means that it is difficult for the Research Park to attract the major research firms, however, it is attracting the small to medium enterprises, drawn by the lower cost relative to Cambridge.
- 6.51 Transport is the key issue for the Research Park. Lack of connectivity to public transport means that the Park does lose tenants and is not as attractive to potential tenants. Chesterford Research Park provides a morning and evening shuttle to/from the Great Chesterford rail station, although tenants would prefer more services. The

Research Park is not connected to Cambridge by dedicated cycleways, which is considered critical due to Cambridge's high usage of bicycles.

- 6.52 The Research Park would like to provide further services for businesses, such as a hotel, further shuttle services or a crèche but does not yet have the critical mass to make such facilities viable.

Mantle Estates

- 6.53 Mantle Estates operates the existing Thremhall Park at Start Hill and is developing a mixed use project at Great Dunmow. Thremhall Park comprises a mix of serviced and traditional office space in a high quality park environment. The majority of its tenants are business services, such as accountancy, recruitment or security services. Thremhall Park is fully occupied and generally has low churn of tenancies, particularly relative to other serviced office premises.
- 6.54 In a discussion of the origins of tenants and their reasons for choosing to locate at Thremhall Park, the representatives of the Park considered that about half of all tenants choose Thremhall Park for its location to the M11 and Stansted Airport. Other key reasons are that it is close to the home of the director/owner of the business, and it is a quality office environment, which is rare in this area. The representatives considered that it is very rare that tenants have a direct economic relationship to Stansted Airport, despite its proximity.
- 6.55 The representatives discussed the importance of offering auxiliary facilities (e.g. cafe, meeting rooms) when providing an office location in an out of town centre environment. They considered it was a very important part of their tenant attraction and allows the Park to charge rates closer to those of town centre locations. Offering flexibility in lease arrangements, including daily and hourly rates is somewhat beneficial for Thremhall Park, however the representatives consider that such options work better in town centre locations. Standard rates for traditional office space is about £215/sqm.
- 6.56 The representatives consider that their key competitors are other business parks in the area, such as Stansted Business Park, which generally do not offer the level of amenity or auxiliary facilities available at Thremhall Park, or town centre locations, such as Bishop's Stortford, which has a greater array of surrounding facilities and better public transport access but does not have the amenity of Thremhall Park.

- 6.57 Mantle Estates has had discussions within Uttlesford District Council for an expansion of Thremhall Park by about 2,300 sqm. They report that they have had an enquiry from a business seeking approximately 200 sqm at Thremhall Park and find it frustrating that they are not able to accommodate this business.
- 6.58 Mantle Estates has approval at Great Dunmow for a mixed use development comprising 370 dwellings, 70 extra care units, 2,070 sqm of food retail and up to 9,290 sqm of commercial floorspace. Mantle Estate is currently dealing with infrastructure issues and intends to commence development as soon as possible, with the first stage being 100 dwellings.
- 6.59 The industrial and warehousing components would be built over stages, with units generally between 930 sqm and 3,700 sqm as required to meet market demand. Terms would be typical 5-7 year leases achieving about £65-75/sqm. The representatives consider that this would be a low risk development due to very limited competition or capacity in existing space. The commented that there was “no supply” of industrial or office space in the locality. They commented that Stansted Airport has significant scope for further growth but is constrained as to its land uses.
- 6.60 Their commentary on Great Dunmow’s existing stock was that it was very old stock, with industrial looking particularly dated. Office spaces in Great Dunmow were small, town centre options above shops, which is inappropriate for some businesses. The representatives stated that they considered that it was a similar situation in Saffron Walden.

Stansted Airport

- 6.61 Stansted Airport is the largest individual employer in Uttlesford and a key economic asset for the District, Essex and Greater London. The airport has substantial land to accommodate further development and has several vacant or underutilised warehousing and office buildings that could absorb growth. The airport is owned and operated by the Manchester Airport Group. The representative of the Group that was interviewed is part of its Planning department and most of the discussion revolved around the planning for further land uses on the site, with strong references to the Sustainable Development Plan – Land Use report.
- 6.62 The Sustainable Development Plan – Land Use document guides the development of the airport to its single runway capacity of about 40-45 million passengers per annum. The plan shows that uses to support this airport throughput can be accommodated on airport land, although would it need the vast majority of the land.

The representative commented on the allocation of 18 hectares of non-aviation land on the North Side of the airport within the Land Use document was consistent with the withdrawn draft Local Plan.

- 6.63 There was a detailed discussion as to Uttlesford's policy of restricting land uses to aviation related uses and whether a partial or full relaxation should be considered. The representative stated that the policy is restrictive and there is probably a latent demand for this stock that, if the policy was relaxed, would lead to the stock being taken up. However, the airport needs to be careful about releasing land for non-aviation uses and whether such uses would be needed for aviation uses in the longer term. The representative considers that the airport would probably need most of its land for aviation uses to support 40-45 million passengers per annum and thus if a significant amount of land was released for non-aviation purposes the airport would eventually need to find alternative lands to support aviation uses.
- 6.64 The representative stated that the airport's planning is in line with the restrictions to remain in place on the South Side and the restrictions to be relaxed for the 18 hectare redevelopment on the North Side, in line with the draft Local Plan and that this enables sufficient aviation uses for growth of the airport. The representative was supportive of retaining the restrictions on land outside of the 18 hectare commercial location.
- 6.65 When asked about whether a non-aviation use could be located in vacant built stock as an interim use until aviation uses are ready to take up such space, the respondent expressed reluctance at taking such an approach. The respondent commented that leasing out premises on a relatively short-term basis would only attract fairly 'footloose' businesses. The respondent questioned the need for such businesses to be at the airport and whether it is better urban planning to house such uses in town centre locations. The respondent said that Manchester Airport Group is taking a long term approach to the planning and is prepared to wait for vacant stock to be taken up by aviation businesses. The respondent added that the quantum of vacant stock, particularly the office premises on the South Side, was not that large, primarily Endeavour House, with some space in Enterprise House, therefore it is not a large problem. It is expected that such stock would be taken up by the mid 2020's.
- 6.66 With regards to the proposed 18 hectare non-aviation location, the respondent stated that it would be for B2 and B8 uses. Enquiries have come from local distributors, small to mid-sized manufacturers with international markets or those without any

relationship to the airport but that are attracted to the high profile site. Comment was made that such businesses are unlikely to find adequate space elsewhere in Uttlesford and would otherwise go to Harlow or Bishop's Stortford.

- 6.67 The representative commented that the Uttlesford market is a confined market with a limited market niche. Comment was made as to the larger entities of Bishop's Stortford, Braintree and Harlow to the south and Cambridge to the north being just outside the boundaries of Uttlesford, with not much significant stock in between these areas. Therefore it is a fine balance to position and plan for Uttlesford's economy. The respondent considered that the local industrial market was slightly stronger than the office market.

Business Survey

- 6.68 A survey of existing Uttlesford businesses was undertaken in February 2015 to gauge the level of satisfaction with existing workspace and the intentions to seek alternative premises within 2-3 years. A sample of 360 businesses was sent a written, self-completion survey by post. Responses were accepted by post or on-line via BE Group's website. After the deadline for the survey returns had passed, a representative of the BE Group contacted businesses that had not returned the survey to complete the survey on the telephone with the business representative. The final number of responses for the survey was 182, or 51 percent of businesses sent the survey, over 184 properties (1 respondent had its business over three sites). A copy of the survey sent to businesses is attached in Appendix 2.
- 6.69 Table 37 below summarises the types of accommodation in which the survey respondents' businesses operate. More than one response was accepted. The main accommodation types were offices, home based businesses and industrial premises.

Table 37 – Types of Business Accommodation

Use	Business Site Count	Percent of Responses
Offices	73	37
Serviced Offices	5	3
High-tech/Laboratory	2	1
Industrial	40	20
Warehouse	6	3
Undeveloped site	2	1
Barn conversion/farm location	16	8
Home	54	27
Total	198	100

Source: Business Survey, BE Group 2015

- 6.70 The survey results reflect the published data summarised in Chapter 3 regarding the number of workers in Uttlesford businesses, suggesting that the sample of businesses that was surveyed is representative of Uttlesford businesses as a whole. Table 38 summarises the size bands for number of workers of those responding to the survey. 84 percent of business respondents had less than 10 workers and 99 percent had less than 50 workers.

Table 38 – Number of Workers

	Number of Workers					Total
	1-4	5-9	10-19	20-49	50+	
Respondents	96	56	22	8	2	182
Percentage	52	31	12	4	1	100

Source: Business Survey, BE Group 2015

- 6.71 There was a relatively even split in businesses responding that they owned their property (51 percent) to those that responded that they lease their property (49 percent). This contrasts with the overwhelming number of leasehold properties available on the market at present, relative to the very limited choice for freehold. The even split can be partly explained by the high level of home-based businesses that were included in the survey.
- 6.72 Table 39 summarises the respondents' estimates of the sizes of their existing premises. This question had a 69 percent response rate, likely due to some operators not knowing the floorspace size of their premises and home-based respondents, who generally did not state a floor area.

6.73 Table 39 also provides information on the size of premises by type of use. As some respondents reported having more than one use type (e.g. office, industrial and laboratory space) but only provided one floor area value, the uses in Table 35 are limited to those stating only one type of use. Offices and serviced offices have been combined, as have industrial and warehouse uses. The median size for office/serviced office premises is in the 101-200 sqm range, with the median size for industrial/warehouse premises is in the 501-1,000 sqm range.

Table 39 – Size of Premises

	Floorspace Size (sqm)							Total Responses
	0-100	101-200	201-500	501-1000	1000-2000	2001-5000	+5000	
Offices/serviced offices	13	22	21	6	5	0	0	67
Industrial/warehouse	0	3	9	9	7	4	0	32
Total Respondents	15	29	35	21	18	7	0	125
Percentage	12	23	28	17	14	6	0	100

Source: Business Survey, BE Group 2015

6.74 There was a high degree of satisfaction of respondents regarding their current premises, with only 5 of 182 businesses (3 percent) stating that they were dissatisfied or very dissatisfied with their current accommodation. Of those who expressed dissatisfaction with their accommodation, reasons given included:

- Poor broadband services
- Accommodation is too small/crowded
- Inability to expand/consolidate business on one site
- Poor parking in Shire Hill
- Shortage of alternative office space in Stansted
- Premises are old.

6.75 Businesses were asked about whether they are considering moving premises within the next 1 year or 2-3 years. Consistent with the high level of satisfaction with existing premises, only a small number of businesses stated an intention to consider relocating in coming years. Table 40 summarises the level of responses. Those that responded with some intention to relocate in the next year are exclusive of the responses for those in the next 2-3 years (i.e. there is no double counting of responses).

Table 40 – Intentions to Relocate Premises

Intention to Relocate	In next 12 months	In next 2-3 years
Considering moving	7	8
Not considering moving	165	163
Total	172	171

Source: Business Survey, BE Group 2015

- 6.76 The table below provides a comparison of the level of those respondents indicating some intention to relocate with other areas that the BE Group has investigated and asked the same question in a business survey. The results demonstrate that Uttlesford's level is comparable to other areas investigated.

Table 41 – Intentions to Relocate Premises

Intention to Relocate	In next 12 months	In next 2-3 years	Total Respondents	With some Intention, Percent
Uttlesford	7	8	172	9
Hartlepool	0	3	87	3
Wrexham	4	9	160	8
Flintshire	3	11	194	7
Hinkley and Bosworth	4	11	100	15

Source: Business Survey, BE Group 2015

- 6.77 Those respondents that indicated an intention to move premises were prompted for further details of the types of premises they would be seeking. Obviously with the small sample of those responding with an intention to move, it is difficult to extrapolate these responses to a full District-wide trend. Table 42 summarises the types of preferred premises that respondents are looking for. The most common accommodation type identified was office space. The preferred quality of premises is also provided in the table.

Table 42 – Types of Premises Sought from those Intending to Relocate

Use*	Types of Premises	Quality of Premises*			
		Prestige/ New	Moderate	Basic/ Budget	No Preference
Offices	11	4	6	1	2
Serviced Offices	2	0	2	0	0
High-tech/Laboratory	1	1	1	0	0
Industrial	3	0	2	0	1
Warehouse	3	1	1	1	0
Land	0	0	0	0	0
Other	0	0	0	0	0
Total Responses*	20	6	13	2	3

Source: Business Survey, BE Group 2015

*Multiple responses received for both uses and quality of premises therefore total responses are in excess of total respondents.

- 6.78 All respondents that provided a response to the question as to whether the premises would be additional or alternative premises (9 respondents) stated that they would be alternative premises. Three respondents stated a preference for leasehold and five respondents expressed a preference for freehold, with six respondents expressing no preference.
- 6.79 The size preferences for new premises was more distributed across the size spectrum than existing stock, however the small number of respondents means that any comparison is to be treated with strong caution. Table 43 summarises the size preferences of those seeking to relocate.

Table 43 – Size of Premises Sought from those Intending to Relocate

	Floorspace Size (sqm)							Total Responses
	0-100	101-200	201-500	501-1000	1000-2000	2001-5000	+5000	
Respondents	2	3	1	4	1	3	0	14

Source: Business Survey, BE Group 2015

- 6.80 Respondents that indicated an intention to relocate were asked as to preferences of location, including areas within Uttlesford and elsewhere. Table 44 summarises the responses. Analysing the data further reveals the existing locations of these premises, which are also listed in the table. While the numbers are small which makes inferring detailed conclusions difficult, it appears that those intending to relocate would be looking in the main to be seeking similar locations to their current premises.

Table 44 – Preferred Relocation Area

Preferred Area	Responses	Existing Locations
Saffron Walden	6	Saffron Walden (4) Wendens Ambo Great Chesterford
Great Dunmow	4	Great Dunmow (3) Saffron Walden
Stansted Airport hub	2	Stansted (2)
Anywhere in Cambridge	2	Saffron Walden (2)
Anywhere along M11 Corridor	1	Great Dunmow
Anywhere in Chelmsford	0	
London Fringe	1	Stansted
Uttlesford rural area*	1	Great Chesterford
Other	0	
Total	17	

Source: Business Survey, BE Group 2015

* Respondent specified Great Chesterford as preferred area

6.81 There was a relatively even split in responses of the preference for type of location, with town centre (4 responses), industrial estate (5), business park (6) or rural (5) locations all recording similar number of responses.

6.82 An open-ended question was asked on what respondents think is the most important factor when seeking alternative accommodation. Responses included:

- Car parking
- Broadband
- Price/value for money
- Ease of travel to office
- Town centre location for professional image
- Accessibility, links to transport
- Location
- Quality of premises
- Sufficient space
- Adequate electrical supply for manufacturing.

6.83 Seven respondents that indicated an intention to relocate stated that they were actively seeking new premises. All seven indicated that they were experience some

level of difficulty finding new premises, including four responding with “*significant difficulty*” and one responding “*great difficulty*”.

6.84 An open-ended question inviting additional comments from all respondents included the following feedback:

- Lack of options outside of Saffron Walden town centre, including a lack of land to build on
- Not enough small premises available
- Locally there is a known desperate need for cost effective small business accommodation of all types, particularly light commercial/industrial
- Poor public transport
- Poor infrastructure
- Moved one year ago because previous site had been approved for residential uses. It was very difficult to find suitable premises in Saffron Walden
- Fast internet connection is critical
- Very little, if any, commercial property of the correct size is available to allow for business expansion and consolidation
- Saffron Walden is not that business oriented (in terms of support, infrastructure, etc)
- Poor broadband service.

Summary

6.85 The consultation with key stakeholders revealed a lack of quality space in and around Uttlesford, which is limiting choice for businesses seeking new premises. Some of the stakeholders identified that there were some long term vacancies in the District, but that these were older premises or not meeting market expectations.

6.86 Specific employment spaces that were identified by the stakeholders as being needed in Uttlesford include:

- Industrial units of about 100-500 sqm
- Office units up to about 100 sqm
- Managed/serviced offices
- Start-up spaces.

6.87 Some stakeholders commented on the continued reluctance to develop commercial premises in and around Uttlesford, despite the recognised lack of quality premises.

- 6.88 The commentary in regards to Saffron Walden highlighted the need for further quality premises in the town, particularly for industrial premises. Vacant office space in the town centre was mentioned, although one stakeholder stated that this may not be appropriate for some businesses. Some commentators stated that Saffron Walden, and the northern half of Uttlesford generally, should be oriented towards Cambridge and its life sciences cluster.
- 6.89 The stakeholders' comments in regard to Great Dunmow identified a need for further smaller industrial units, although larger units were recognised as being very limited by one stakeholder. The age of premises in Great Dunmow was considered a concern. The town's relationship with the A120/M11 road network and Stansted Airport was identified.
- 6.90 The importance of Stansted Airport was widely recognised by the stakeholders. As its passenger throughput increases it would have an increasingly important role as an employer and in generating economic activity. There was support from the stakeholders for the relaxation of policy restrictions on non-aviation uses at the Airport, although the representative of the Airport itself was not supportive of any relaxation in addition to that already proposed in the draft Local Plan.
- 6.91 One stakeholder identified the need for further employment space in Stansted Mountfitchet, particularly very small space for start-up enterprises. The nearby Bishop's Stortford was recognised as having a reasonable quantity of industrial premises, although having very limited capacity for expansion.
- 6.92 There remains significant capacity within the Chesterford Research Park to accommodate businesses seeking specialised research premises in Uttlesford.
- 6.93 Stakeholders stated that Uttlesford District Council could have a greater role in providing business assistance to local firms, being more aggressive in attracting businesses to the District, providing financial assistance in terms of business rates relief and being less litigious in the planning process.
- 6.94 The results of the business survey appeared to be somewhat in contrast with the findings of the consultation with stakeholders and locally active agents. There was a low level of dissatisfaction among respondents with their existing premises, with only 3 percent of respondents reporting a degree of dissatisfaction. When asked about an

intention to relocate premises in coming years, 4.1 percent of respondents stated an intention in the coming year and a further 4.7 percent of respondents stated an intention for the next 2-3 years.

- 6.95 Smaller premises are the dominant existing stock in the market, reflecting the small nature of local businesses. Of the survey respondents the median floorspace for office/serviced office businesses was in the 101-200 sqm range, with the median floorspace for industrial/warehousing businesses being in the 501-1,000 sqm range.
- 6.96 Of those that stated an intention to seek new premises, there was a preference to seek premises in the same locality as their existing site, consistent with the activity of a local business wanting to maintain position within its market.
- 6.97 While the survey identified only a small number of Uttlesford businesses seeking to relocate premises in coming years, the responses to the open ended questions in the business survey revealed similar issues to those identified through the consultation with agents and stakeholders, such as limited options for alternative premises, a need for further smaller format stock, older premises, poor broadband and need for further public transport.

7.0 CONCLUSIONS AND RECOMMENDATIONS

Main Issues

7.1 A number of key issues have emerged from the data collection and consultation phases of this study, as summarised below:

- The economy is dominated by micro and small businesses
- With the exception of Stansted Airport and Great Dunmow, the District's awkward access to the motorway network limits its ability to attract larger businesses or businesses that have a regional or wider focus
- There has been little growth in the number of businesses in Uttlesford in recent years
- There is limited choice of marketed properties, particularly in the industrial/warehouse market in Uttlesford
- There is little opportunity for new businesses to enter the market through space designed for start-up enterprises
- There are very limited opportunities for expansion of the existing industrial estates at Shire Hill, Saffron Walden and at Great Dunmow
- Much of the existing stock is dated, with some of the vacant stock being on the market for a considerable time and evidently not meeting business needs
- Local businesses surveyed were overwhelmingly satisfied with their existing premises
- The small number of businesses that expressed dissatisfaction with their existing accommodation also reported difficulties in attaining alternative premises
- The business survey did not consult businesses currently outside the area, looking to come to Uttlesford. Therefore there may be further requirements for workspace that the business survey did not identify
- There are options outside the District, such as at Braintree, Bishop's Stortford, Harlow and Haverhill that can accommodate larger businesses than can be accommodated in Uttlesford
- There are some significant projects that have been approved in Uttlesford, including TriSail Towers, Ashdon Road Commercial Centre and Mantle Estates at Great Dunmow, which if developed would increase choice and capacity in the market
- The vacant stock at Stansted Airport represents a potential ready supply of well-positioned additional stock if aviation oriented restrictions are removed.

7.2 The Employment Land Review of 2011 and the Employment Land Monitoring report of 2014 provide forecasts for employment floorspace and land to 2028 and 2031 respectively, as summarised in Tables 2-7 in Chapter 2. Table 45 below updates the net projections of the earlier works to account for approvals and developments since the earlier works. The table adopts the total required floorspace for 2031 for each use that was adopted in the October 2014. The table also adopts the same methodology and assumptions as the earlier works for consistency, in particular the assumed plot ratio of 40% for all land uses and the same assumption of jobs/sqm that underpins the total floorspace requirement.

Table 45 – Update of Employment Land Monitoring Report’s Net Forecasts to 2031

Use	Offices		Warehousing		Industry	
	Floorspace (sqm)	Land (ha)	Floorspace (sqm)	Land (ha)	Floorspace (sqm)	Land (ha)
Total Requirement	38,700	9.7	46,400	11.6	-54,400	-13.6
Potential Provision as at April 2013*	11,155		11,609		3,827	
Potential Net Additional Provision Feb 2015^	8,570		14,440		3,200	
Net Requirement	18,990	4.7	20,350	5.1	-61,430	-15.4

SOURCES: *Employment Land Review, 2011; Employment Land Monitoring Oct 2014; BE Group*

*drawn from *Employment Land Monitoring report, with assumptions as to division of those approvals with multiple uses into the tables categories based on likely market demand*

^Changes since April 2013, *Mantle Estates, Ashdon Rd, M11 Business Link Phase 2, including assumptions as to uses based on likely market demand*

7.3 Table 46 provides a review of the employment space completions in Uttlesford, drawn from the annual monitoring reports produced by Council. An average of approximately 10,000 sqm has been completed per annum in the District over the last decade, although significantly fewer completions have been recorded in recent years.

Table 46 – Employment Floorspace Completions (sqm)

Sector	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Average
B1	6,399	4,729	3,412	7,320	14,283	5,556	0	1,680	148	-63	4,140
B2	720	0	2,271	2,819	4,323	175	829	4,000	0	-2,210	1,290
B8	788	361	1,1900	2,439	19,222	2,583	120	5,887	749	-289	4,380
B1/B2/B8	980	854	0	0	0	0	0	0	0	2,313	410
Total	8,887	5,944	17,583	12,578	37,828	8,314	949	11,567	897	-249	10,430

Source: annual monitoring reports, Uttlesford District Council

7.4 It often occurs in development that annual growth of floorspace is uneven, due to the discrete nature of building projects and changes in the economy and business confidence. Large variations in year-on-year completions are not uncommon, particularly when analysing a small area.

7.5 Adopting a rate of 4,100 sqm per annum growth in office space and 4,400 sqm per annum growth in warehousing space would infer that the total requirement for these uses as forecast in Table 45 could be achieved by about 2025/26 for offices and 2026/27 for warehousing. Even allowing for a lower completion rate in coming years than the average of the last 10 years, it would appear that, based on typical activity rates in Uttlesford, the additional requirements for these land uses could be achieved by 2031. It would be a good thing for businesses if this supply could lead the employment growth demand as this would provide space for businesses to expand into or to enter the market.

7.6 The potential supply, that is approved but as yet unconstructed projects, as quantified in Table 45 represent about 5 years of average completions for office and 6 years of average completions for warehousing. While not all of this supply would be developed immediately, and some may not proceed at all, this level of approved stock does suggest that sufficient approvals are proceeding through the system to enable at least an average level of annual completions.

7.7 While the growth of office and warehousing space appear to be the main sectors of concern based on employment modelling forecasts, the provision of adequate, appropriate, and well-located industrial space should also be considered. The Employment Land Review and the Employment Land Monitoring reports forecast a significant decline in demand for industrial land in coming years, based on declining manufacturing jobs. However, with a continuing movement towards automation in the manufacturing industry, while jobs may decline in a business, if automation

processes are implemented well, the business may flourish and expand its output, thereby not needing to shrink its floorspace and potentially having increased floorspace needs. That is to say, over a longer timeframe, floorspace modelling based on a constant assumed sqm/job figure may be inappropriate.

7.8 Therefore considering industrial floorspace, an average completion rate of 1,300 sqm per annum over the last decade equates to about two typical units for small businesses that are predominant in the District. Such a completion rate may be a more appropriate level of industrial floorspace growth, rather than an anticipated decline in floorspace demand. Assuming this trend continues, it would provide options for smaller premises but would not provide for larger stock or include much flexibility in the market to absorb changes in demand. It would, however, provide more flexibility than planning for a decline in industrial floorspace.

7.9 While there is a recognised shortage of existing space, with very limited choice for businesses looking to enter the market, there appears to be sufficient approved but unconstructed stock to meet likely growth in the medium term. The key issues for employment space therefore are:

- Will this approved space be constructed and available for the market in a timely manner? and
- Are the locations of these approved projects in the appropriate locations?

7.10 These questions are addressed in the commentary below.

Completion of Approvals in a Timely Manner

7.11 There continues to be reticence in the market for speculative development, although positivity is slowly returning. Mantle Estates has indicated a preparedness to develop the employment components of its project at Great Dunmow without pre-commitments, considering that there is sufficient demand in the market. However, the development market has generally shown a reluctance in recent years to develop smaller units, the key market for Uttlesford, without a significant level of pre-commitments. Furthermore, smaller businesses are less likely to commission design and build projects. As such the supply of this stock has dried up, tightening the local market, a situation that has been observed around the country.

7.12 There is an imperative to ensure that further stock is brought to the market at the earliest possible juncture to relieve the tightness in the market and to minimise any

leakage of businesses out of the District to available space elsewhere, such as Harlow, Braintree, Bishop's Stortford, Haverhill or Cambridge.

- 7.13 The mixed use developments in Saffron Walden (Ashdon Road Commercial Centre) and Great Dunmow (Mantle Estates) have significant residential components, which are likely to provide a higher short term return than the development of the commercial components of the development. It is understood that the residential component of the Great Dunmow project would be the first stage of the development and the residential component and new Ridgeons store would be the initial stages of the Saffron Walden development. Therefore it is likely that the tightness in the market in Uttlesford's main towns will remain for at least the next 2-3 years.
- 7.14 An intervention in the market by Council could provide further stock in a shorter timeframe, thereby providing opportunities for businesses to enter the market or to relocate to more adequate premises. Given the planning that has been undertaken and the approvals in place with the Ashdon Road and Mantle Estates projects, there would be an opportunity to encourage the earlier development of the employment components of these projects that could deliver further stock relatively easily. It is recommended that Council approach both developers to identify means of delivering employment stock at the earliest opportunity. Such means could include:
- Providing incentives for the delivery of employment space in an agreed timeframe
 - Entering into a partnership with the developers to jointly develop and deliver space to the market
 - Committing to lease a portion of the space if developed in an agreed timeframe, which could then be subleased to the market.
- 7.15 By intervening in the market, Council would have an increased level of control in regards to the delivery of workspace in the District. Influencing the growth and development of workspace would also have benefits in regards to employment generation, economic activity and business rates generation.
- 7.16 In planning for further employment site growth and assessing future development applications, consideration would need to be given to the current situation of approvals not being enacted upon in a sufficiently timely manner for the Uttlesford economy. The Council can respond to this in two ways:
- Encouraging a tighter timeframe on the development of approved projects

- through incentives, negotiations or conditions on approvals; or
- Increasing the volume of sites allocated for employment uses as a means of Uttlesford having more options that might be developed in a timely manner.

7.17 The first of these options is an approach that could have an impact in the shorter term, and should be encouraged as part of the planning assessment process. The second option would take a longer time to filter through to actual increases in stock and should be considered as a factor as part of the next site allocation process.

Appropriateness of the Locations of Approvals

7.18 A theme that emerged from both the business survey and the consultation with agents was that those looking for business premises are local enterprises, with established premises in the same town or a nearby location. Therefore there needs to be sufficient capacity in the provision of workspace to enable local enterprises to relocate within their existing townships. A workspace solution that provides sufficient gross floorspace for the District in only one area may satisfy the calculated floorspace demand but would be inadequate for Uttlesford's business function.

7.19 The key approved employment developments in Uttlesford are distributed among the main urban areas, including Ashdon Road Commercial Centre at Saffron Walden, Mantle Estates' development at Great Dunmow and TriSail Towers at Elsenham, just to the north of Stansted Airport. Furthermore, the capacity as outlined in Stansted Airport's Land Use strategy, both for aviation and non-aviation uses, would provide a significant additional quantum of workspace for the south-western area of the District. The commentary below provides a review of the employment space market for Saffron Walden, Great Dunmow and Stansted Airport and surrounding areas.

Saffron Walden

7.20 There is a recognised severe tightness in the market in Saffron Walden at present, particularly in the industrial market and for businesses seeking non-town centre office locations. The Shire Hill industrial estate is full and several of the premises are dated. This location has significant car parking issues, reducing amenity and limiting access for large vehicles.

7.21 The Ashdon Road Commercial Centre redevelopment is an opportunity for further stock to be located in Saffron Walden and, as mentioned above, there would be means that Council can employ to deliver the employment components at the earliest

opportunity. At its full development, the Ashdon Road Commercial Centre could yield some 8,500 sqm of warehouse space (including 5,000 sqm for the Ridgeons premises), 3,500 sqm of offices and 1,200 sqm of industry, depending on final demand and mix of tenancies. Further land capacity is available at Thaxted Road for B2 and B8 uses.

- 7.22 The business survey identified six Saffron Walden businesses (7 percent of the 85 Saffron Walden respondents) with an intention to relocate their premises. Four of these businesses were seeking office premises (of 38 office/serviced office respondents) and two industrial/warehousing premises (of 21 industry/warehousing respondents). From ONS business count data there are approximately 930 registered businesses (local units) in Saffron Walden (this includes businesses on other land use types, such as retailers or rural enterprises). Saffron Walden's registered businesses estimate should be seen as an indicative figure only because of boundaries for which data is available not neatly aligning with the town's boundaries. Of these registered businesses, some 340 are in typically office based industries and about 100 are in typically industrial/warehouse based industries. Therefore the business survey received responses from approximately 19 percent of office and industrial/warehousing businesses. This represents a reasonable sample size of Saffron Walden businesses.
- 7.23 Extrapolating the sample to the full number of businesses in Saffron Walden suggests that some 35-40 office businesses and 10 industrial/warehousing businesses would have an intention to relocate their operations. Not all of these businesses would be taken up in future additional stock. Some would take existing vacant stock (such as the small office suites in the town centre), some would take existing stock vacated as other businesses move, some would locate out of the area and some would take newly built stock. Furthermore, this estimate is only an indication of an intention to move and some businesses may change their intentions as circumstances change.
- 7.24 Drawing on the enquiries data for Uttlesford as analysed in Chapter 4, the median floorspace enquiry for offices was 139 sqm and for industrial premises was 323 sqm. Applying these figures to the extrapolated number of businesses with an intention to relocate for Saffron Walden, suggests a total office floorspace demand of some 4,900-5,600 sqm and a total industrial/warehousing floorspace demand of 3,200 sqm generated by Saffron Walden businesses seeking to relocate. It is considered, due to the points made in paragraph 7.18 above, that this is an overestimation of the

required additional floorspace for Saffron Walden. New stock required in Saffron Walden is more likely to be approximately 2,500-3,000 sqm for offices and 2,000-2,500 sqm for industrial/warehouses.

- 7.25 This suggests that the Ashdon Road Commercial Centre development could be taken up just by local businesses seeking to locate to alternative premises in Saffron Walden in the near term and indeed would be seeking premises prior to this project's development. Tightness in the market is likely to be relieved for only a short period from the development of the Ashdon Road Commercial Centre. Further land capacity within the Thaxted Road site, if developed in the near term, would enable further choice for businesses.
- 7.26 However, overall it is considered that Ashdon Road and Thaxted Road would only provide a short term relief to the overly tight market and further stock should be brought on line in the medium term, about 4-5 years' time. Furthermore, if larger premises are required, the approved developments and the existing stock are unlikely to be able to provide such premises.

Great Dunmow

- 7.27 The tightness in the market in Great Dunmow is most apparent in the industrial market. Great Dunmow is an attractive industrial area due to its location on the A120 corridor. Its office function is mostly limited to very small town centre operators.
- 7.28 The Mantle Estates development to the west of Chelmsford Road would provide the key additional stock for Great Dunmow, with a planning approval that could yield some 9,300 sqm additional commercial floorspace. The approval is for B1, B2 and B8 uses and the final mix of such stock would depend on demand upon development.
- 7.29 Of the 63 businesses that responded from Great Dunmow, only three stated an intention to relocate premises (5 percent), including two industrial businesses and one office base business.
- 7.30 Similarly to the analysis for Saffron Walden, the data has been extrapolated to the full business population of Great Dunmow. From ONS business count data, it is estimated that there are approximately 590 businesses in Great Dunmow, of which about 220 are in the sectors which are typically office based and 100 in the industrial/warehousing sectors. Therefore the business survey received responses from approximately 11 percent of office or industrial/warehouse based businesses.

- 7.31 It is estimated that potentially some 20-25 office based businesses and 5-7 industrial/warehouse based business in Great Dunmow may have the intention to find alternative premises. Using median floorspaces from the enquiries data, the total floorspace stock of businesses seeking alternative premises is potentially 2,800-3,500 sqm for offices and 1,600-2,300 sqm for industrial/warehouses. Once again, however, this is considered to be an overestimation of the likely number of businesses and total floorspace that would locate in newly built premises, particularly for offices. A more realistic estimate of new stock required in Great Dunmow in the near term to satisfy those with intentions to find alternative premises is likely to be approximately 1,200-1,500 sqm for offices and 1,000-2,000 sqm for industrial/warehouses.
- 7.32 The approval at the Mantle Estates site is sufficient to supply such additional stock, if developed in the near term. The approval would also provide capacity for businesses from outside the area to relocate to Great Dunmow, which is a necessary level of supply given Great Dunmow's position on the A120. Significantly though, additional stock would be in the control of one developer, leaving the community vulnerable to changes to their development priorities and potentially leaving too much market power in the control of one developer.
- 7.33 Further stock is likely to be required in the 5-7 year timeframe and additional site(s) would need to be found to satisfy this demand. The reasons businesses are in Great Dunmow are to service the local demand and to have ready access to the A120. Identification of a further site would need to consider these factors and thus should have ready access to the local market and the arterial road network. A continuation of the existing industrial node to the south of the town is preferable if practicable and of sufficient scale to provide some 4,000-5,000 sqm of industrial floor space (up to 1.5 hectares).

Stansted Airport and Surrounds

- 7.34 It is considered inappropriate to assess likely demand for future stock for the airport and surrounding areas in the same manner as for Saffron Walden and Great Dunmow, which are more contained markets, relying on local churn of businesses. Stansted Airport land and developments such as TriSail Towers are more likely to draw businesses in from outside of Uttlesford.
- 7.35 The proposed 18 hectare site within the Stansted Airport North Side locality would

have the capacity to provide all of Uttlesford's projected warehouse floorspace requirements to 2031 (as projected in Table 44). Adopting the Employment Land Review's plot ratio of 40%, an 18 hectare site could yield some 72,000 sqm of warehouse floorspace. Even allowing for internal roads and loss of land for open space, it is apparent that this one site could supply all of Uttlesford's warehouse demand requirements to 2031.

7.36 However, the potential tenants for the North Side site are likely to be larger businesses serving a more regional market. This is likely to be over and above the typical growth in the market as projected in the Employment Land Review and Employment Land Monitoring reports. It is difficult to quantify a likely take up rate of larger businesses coming in to Uttlesford as it has typically not attracted such enterprises. However, it is considered that the North Side commercial area would be able to attract businesses and develop in a timely manner for the following reasons:

- The site is a very attractive location for a broad breadth of businesses, located at Stansted Airport, with access to London and Cambridge via the M11 and the ports via the A120
- Braintree, on the A120 and with larger industrial and warehousing sites, has seen strong take up of sites
- The project would be developed and marketed by the Manchester Airport Group, which has substantial capacity and considerable networks
- Bishop's Stortford is largely at capacity for industrial and warehousing uses.

7.37 Therefore, in terms of being an appropriate location to provide for Uttlesford's projected take up of warehousing land, it would have a role in supplying some of the demand generated from the southern half of Uttlesford, providing an alternative to the Great Dunmow and Bishop's Stortford markets which are currently constrained. While it has the land capacity to meet the full warehousing needs of the District to 2031, it is inappropriately located for such a function. However, as discussed above, its likely function would be as a location for regionally focussed enterprises, over and above the more locally driven demand. This would provide Uttlesford with an opportunity to attract business that would otherwise not consider the District, choosing alternatives in the broader region.

7.38 Similarly, the TriSail Towers development is likely to attract businesses that otherwise would not consider Uttlesford. This development may see a slow take-up in its early stages as it is positioned at a premium market, is a largely untested product in Uttlesford and is in a somewhat isolated position, dislocated from other commercial

uses that surround the airport.

- 7.39 The quantum of office floorspace intended for TriSail Towers represents about a third of the net requirement of office floorspace as calculated in Table 45. It has not been included as part of the approvals that could meet the demand for growth in Table 45 due to the reasons in paragraph 7.32 that sets it apart from typical users of office space in Uttlesford. Furthermore, it is clearly not well positioned to provide relief to the constrained Saffron Walden office market.

Summary of Location Considerations

- 7.40 The key points in regards to the locations of the approvals are:
- The approvals, particularly for Saffron Walden and Great Dunmow, are needed to be enacted upon at the earliest possible opportunity to provide alternative locations for those with intentions to relocate.
 - While the approvals would provide relief to the market, they do not provide a full solution.
 - The Saffron Walden market is likely to only have short term relief from the Ashdon Road Commercial Centre approval and capacity at Thaxted Road. A further option providing office, industrial and warehousing space is likely in about 4-5 years' time.
 - The Great Dunmow market is likely to be satisfied in the near term by the Mantle Estates development, assuming its timely development. Further stock is likely to be required in approximately 5-7 years.
 - Opportunities for further stock at and around Stansted are likely to satisfy a more regionally-focussed market, bringing in businesses that otherwise would not consider Uttlesford, but also not being positioned for a local market.

Options for Further Employment Stock

- 7.41 The most straightforward means of relieving the tightness in the market is for the employment components of Ashdon Road Commercial Centre and Mantle Estates developments to be enacted upon at the earliest opportunity. However, if either of these projects become delayed, further stock would be required in other locations to increase floorspace capacity in the market. The Thaxted Road site at Saffron Road could be developed in a relatively straightforward means and an expansion of this location on current planning provisions is recommended to provide further land in the medium term.

- 7.42 An alternative site at Great Dunmow would need to be identified, which would have the key features of excellent access to the A120, infrastructure capacity, access for heavy vehicles and proximate to existing employment areas if possible.

Sectors Taking Further Employment Stock

- 7.43 The likely businesses taking further stock in Uttlesford are likely to be local businesses, similar to existing business types in Saffron Walden and Great Dunmow, and regionally oriented businesses at North Side Stansted Airport and TriSail Towers. Most of the demand for space in Saffron Walden and Great Dunmow is driven by businesses already established in the towns, which are seeking alternative accommodation. Therefore in considering the industry sector types that are likely to take up further space in the towns, the existing business profile is an appropriate indicator. Businesses are likely to include:

- Small engineering and manufacturing firms
- Repair/maintenance operations
- Construction suppliers and businesses
- Small professional services

- 7.44 The likely sector take-up for the North Side Stansted Airport site is likely to be for mid size logistics operations or regionally focussed manufacturers. The TriSail Towers development is likely to attract the higher level corporate market, including financial services, larger professional services and regional offices of national brands.

Commentary on Restricting Non-Aviation Uses at Stansted Airport

- 7.45 A consistent theme emerging from the consultation stage in relation to Stansted Airport was the policy to restrict commercial uses on the land to those related to the aviation industry. It was widely recognised that this has led to long-term vacancies at the airport and most commenting on this considered that the built stock could be fairly readily taken up by non-aviation users.
- 7.46 The withdrawn draft Local Plan included relaxing this policy on the 18 hectare North Side commercial area site, but retaining the policy elsewhere on the airport land, including the South Side, which has a significant quantum of long term vacant space. Stansted Airport's Land Use plan has been developed to be consistent with the draft Local Plan. Critically the Airport's Land Use plan retains the South Side land for aviation related purposes, including Maintenance and Commercial Use, Cargo and Car Park areas. The Airport's planning for its growth has factored in these lands for

future aviation related requirements. Feedback from the Airport's representative was that it was understood that this may lead to premises being vacant for longer than a less restrictive policy, but that the Airport's planning in the long term needs these areas and therefore would be reserved for future aviation uses.

- 7.47 Therefore, while there are benefits in relaxing the policy on land over and above the 18 hectare site in order to release further stock in a constrained market, this would not accord with the Airport's long term planning. Furthermore, it may be unlikely that the Airport would make such stock available to non-aviation uses, regardless of the lift in the restrictions, in order to preserve the sites for aviation needs.
- 7.48 Therefore it is recommended that the policy position of the draft Local Plan be retained. This would provide a consistent position for the Airport to assist with their planning.

Reinvigoration of Existing Premises

- 7.49 Throughout the District there are employment premises that are dated and have a poor external presentation, particularly some of the industrial stock at Shire Hill and Great Dunmow. There are a small number of sites that are long term vacancies due to their poor state. However, most stock is let and achieving reasonable levels of rent, even the older stock. Furthermore, the business survey results found that the overwhelming majority of respondents are satisfied with their existing premises.
- 7.50 While it is difficult to directly influence landlords to reinvigorate existing stock, particularly if that stock is let and achieving an on-going income, the approval and development of new stock would influence the market. If new stock becomes available some businesses are likely to look to upgrade their premises, even if they are currently satisfied. This should provide impetus to landlords to upgrade and reinvigorate older stock to make it more marketable in a more competitive market where the buyer would have more power and choice. At present, with very limited choice of sites, the landlords have the market power and do not need to invest in their stock to have it leased.

Research Space

- 7.51 Uttlesford is at the southern edge of the Cambridge life sciences research cluster and the Chesterford Research Park provides an important location for small to medium enterprises in this sector. This research park is probably as well positioned as could be in Uttlesford to service the Cambridge market.

- 7.52 With further research park stock becoming available at Haverhill (just outside the District boundary) and significant capacity remaining at Chesterford Research Park, it is not envisaged that other dedicated research space would be required or could find a sufficient market in Uttlesford for the foreseeable future.
- 7.53 The draft Local Plan included a provision for high quality office space at Chesterford Research Park, thereby not limiting the space to research enterprises only. Assuming that there remain strong controls to maintain the primacy of the research function of the park, allowing for some ancillary office space at Chesterford Research Park is supported.

Start-up Space

- 7.54 A lack of space for start-up businesses was identified by some of those consulted both at the District and wider region levels. Essex County has reported that they are pursuing further start-up sites throughout the County.
- 7.55 It is recommended that space be provided in the District to encourage business growth and innovation in the District and to enable Uttlesford to remain competitive with neighbouring boroughs seeking to encourage similar enterprises. Start-up space will present opportunities for the highly performing and well educated residents that currently commute to London to establish their own, local businesses. It is recommended that space be provided both in the north and south of the District, as these markets run relatively independently.
- 7.56 Start-up enterprises are not uniform and do not have uniform workspace requirements. Some will require office space, some a mix of office and workshop/storage space and some predominantly an engineering workshop space. Start-up enterprises often require assistance and have very restricted budgets and thus benefit from shared premises or serviced space. Flexibility in rents, including short-term leases, is also attractive to start-up enterprises.
- 7.57 The serviced office space within the Chesterford Research Park would probably satisfy the demand for technology/science start-up enterprises. However there is a gap in the provision of more generic start-up space.
- 7.58 It is recommended that further dedicated start-up space be developed in Saffron Walden and Stansted Mountfitchet. It is recommended to enter into a partnership

with Invest Essex to deliver their Enterprise Centre models in Saffron Walden and Stansted Mountfitchet. These centres appear to be based on a solid business model and have good acceptance in the market. Using the County-wide exposure of Invest Essex would assist in attracting tenants to these premises.

- 7.59 Invest Essex generally fund and operate the Enterprise Centres themselves, with the rent on the premises providing a revenue stream to County Council. A partnership agreement is probably necessary to encourage Invest Essex to locate two Enterprise Centres in the District, rather than in other locations in the County. Uttlesford Council's role in the partnership could be to provide the sites and a share of the development costs as incentives to locate the Enterprise Centres in Uttlesford.
- 7.60 Small scale workshop/industrial space of a range of sizes up to about 150 sqm and office space of a range up to about 40 sqm is recommended for both locations. A start-up centre should also have shared facilities, such as meeting space and administration services. For start-up workshop space some shared equipment may be made available, such as a forklift.

Loss of Further Space

- 7.61 The Employment Land Review identified the Ongar Road Industrial Estate as a site for potential redevelopment for non-employment uses, due to its dated nature, it is surrounded by residential uses and at the time of writing of the document there was an oversupply of stock.
- 7.62 Ongar Road Industrial Estate is still operating and has on-going tenants, who benefit from the budget premises. While further employment stock has yet to be brought to the market in Great Dunmow, there is an argument for the retention of this site for budget-level employment uses. Furthermore, the large Woodlands Park residential estate will provide a significant increase in housing stock for Great Dunmow, which may reduce the housing need impetus to redevelop the Ongar Road site. However, it is recommended that in the medium term, when further affordable employment stock is available in Great Dunmow, that this site is redeveloped for residential uses.
- 7.63 The former Molecular Products site at Thaxted is a long term vacant site, clearly not attracting alternative employment uses. While, in 2011, the Employment Land Review recommended that this site be retained for employment uses, it is questionable whether such an outcome is realistic. Thaxted is a contained village with difficult access for large vehicles. It is not conveniently located proximate to the

motorway network or a significant workforce. The buildings on the site would require significant redevelopment to be used for an alternative employment use. Therefore, it is recommended that Council plan for this site to be used for alternative uses.

Appendix 1

List of Consulted Organisations

Appendix 1 – List of Consulted Organisations

Cheffins
Chesterford Research Park
Coke Gearing
East Hertfordshire District Council Economic Development
Essex County Council Economic Development
Invest Essex
Januarys
London Stansted Cambridge Consortium
Manchester Airport Group
Mantle Estates
Mullucks Wells
Saffron Walden Friends
Stansted Airport Regional Business Association
Stansted Business Forum

Appendix 2

Business Survey

Uttlesford District Council Business Survey 2015

Company Details

Company Name	
Contact Name	
Position	
Address	
Email Address	
Tel No	
Business Activity	

Employees

1. Number of: **full-time** employees _____ and/or **part-time** employees _____

Current Accommodation

2. Type of accommodation (please tick main type/use)

Office	<input type="checkbox"/>	Serviced office	<input type="checkbox"/>	High-tech/lab	<input type="checkbox"/>
Industrial	<input type="checkbox"/>	Warehouse	<input type="checkbox"/>		
Site (undeveloped land)	<input type="checkbox"/>	Barn conversion/Farm location	<input type="checkbox"/>		

3. Is the property:

Owned Rented

4. Size of unit:

0-100 sqm <i>(0-1076 sqft)</i>	<input type="checkbox"/>	101-200 sqm <i>(1077-2152 sqft)</i>	<input type="checkbox"/>	201-500 sqm <i>(2153-5382 sqft)</i>	<input type="checkbox"/>
501-1000 sqm <i>(5383-10,764 sqft)</i>	<input type="checkbox"/>	1001-2000 sqm <i>(10,765-21,529 sqft)</i>	<input type="checkbox"/>	2001-5000 sqm <i>(21,530-53,821 sqft)</i>	<input type="checkbox"/>

Larger, sqm _____

Site size, hectares/acres _____

5. How satisfied are you with your current accommodation?

Very satisfied Satisfied Unsatisfied Very unsatisfied

6. If you are unsatisfied or very unsatisfied, please state your reasons.

Future Accommodation

7. Are you considering moving premises within the next:
 12 months? Yes No 2-3 years? Yes No

If yes to either of the above, please respond to questions 8a – 8j, otherwise go directly to question 9.

- 8a. What type of accommodation will you be looking for? (please tick main type/use)
- | | | | | | |
|-----------|--------------------------|---------------|--------------------------|-----------------|--------------------------|
| Office | <input type="checkbox"/> | Industrial | <input type="checkbox"/> | Serviced office | <input type="checkbox"/> |
| Warehouse | <input type="checkbox"/> | High-tech/Lab | <input type="checkbox"/> | Land | <input type="checkbox"/> |

- 8b. Tenure required?
- | | | | | | |
|----------|--------------------------|-----------|--------------------------|---------------|--------------------------|
| Freehold | <input type="checkbox"/> | Leasehold | <input type="checkbox"/> | No Preference | <input type="checkbox"/> |
|----------|--------------------------|-----------|--------------------------|---------------|--------------------------|

- 8c. Quality of premises preferred?
- | | | | | | | | |
|---------------------|--------------------------|----------|--------------------------|--------------|--------------------------|---------------|--------------------------|
| Prestigious/
New | <input type="checkbox"/> | Moderate | <input type="checkbox"/> | Basic/Budget | <input type="checkbox"/> | No Preference | <input type="checkbox"/> |
|---------------------|--------------------------|----------|--------------------------|--------------|--------------------------|---------------|--------------------------|

- 8d. Will this be **additional** or **alternative** to existing property?

- 8e. What size of unit/site will you be looking for?
- | | | | | | |
|------------------------------------|--------------------------|---------------------------------------|--------------------------|---------------------------------------|--------------------------|
| 0-100 sqm
(0-1076 sqft) | <input type="checkbox"/> | 101-200 sqm
(1077-2152 sqft) | <input type="checkbox"/> | 201-500 sqm
(2153-5382 sqft) | <input type="checkbox"/> |
| 501-1000 sqm
(5383-10,764 sqft) | <input type="checkbox"/> | 1001-2000 sqm
(10,765-21,529 sqft) | <input type="checkbox"/> | 2001-5000 sqm
(21,530-53,821 sqft) | <input type="checkbox"/> |
| Larger, sqm | _____ | | | | |
| Site size, hectares/acres | _____ | | | | |

- 8f. General location – please indicate preferred areas(s) below:
- | | | | | | |
|---|-----------------------------|--------------------------------|--------------------------|------------------------|-----------------------------|
| Saffron Walden | <input type="checkbox"/> | Great Dunmow | <input type="checkbox"/> | Stansted Airport hub | <input type="checkbox"/> |
| Anywhere
Cambridge | in <input type="checkbox"/> | Anywhere along M11
corridor | <input type="checkbox"/> | Anywhere
Chelmsford | in <input type="checkbox"/> |
| London Fringe | <input type="checkbox"/> | | | | |
| Within Uttlesford Rural Area
(please specify): | _____ | | | | |
| Other (please specify): | _____ | | | | |

- 8g. Location type preferred:
- | | | | |
|---------------|--------------------------|-------------------|--------------------------|
| Town centre | <input type="checkbox"/> | Industrial estate | <input type="checkbox"/> |
| Business park | <input type="checkbox"/> | Rural | <input type="checkbox"/> |

- 8h. What do you consider to be the most important factor when seeking alternative accommodation? Please state below.

8i Are you actively seeking new premises?

Yes No

8j If yes to 8i, have you had any difficulties finding new premises?

No difficulty Significant difficulty
Some difficulty Great difficulty

Additional Comments

9. If you have any additional comments affecting your choice of premises please use the space below. Topics might include:

- Road Infrastructure
- Business support
- Planning issues
- Public transport
- Funding availability
- Staff availability
- Property availability

Please indicate if you are happy to be contacted for further research YES / NO

Thank you for your assistance.

All responses will be treated in confidence.

If you would like any further information on this survey please contact Anthony Meulman at BE Group either via anthonymeulman@begroup.uk.com or Tel 01925 822112.

Please return the questionnaire by the 6th February 2015 using the enclosed pre-paid reply envelope or fax back to 01925 822113.

If you prefer, you can complete an online version of this questionnaire by visiting: www.begroup.uk.com and following the link to Uttlesford Business Survey.



Appendix 3

Uttlesford Vacant Property Schedules

Appendix 3 – Uttlesford Vacant Property Schedules

Table A3.1 – Schedule of Industrial Premises

Property	Settlement	Tenure	Quality	Size, Sqm
Taylors End (unbuilt)	Stansted	Either	Good	21,440
Mill End	Thaxted	Either	Average	2,973
Unit C2, Stansted Cargo Area, cargo Terminal	Stansted	Leasehold	Average	1,505
6026 Long Border Road	Stansted	Leasehold	Good	1,146
Ongar Road	Great Dunmow	Leasehold		929
Unit 12, Flich Industrial Estate, Chelmsford Road	Great Dunmow	Leasehold	Good	854
Unit 6012, Long Border Road	Stansted	Leasehold	Good	810
28 Stansted Distribution Centre	Start Hill	Leasehold	Good	745
Unit 4, Zone A, Chelmsford Road Industrial Estate, Chelmsford Road	Great Dunmow	Leasehold	Average	694
High Easter Road	Leaden Roding	Leasehold	Average	464
Needham Green	Hatfield Broad Oak	Leasehold	Average	464
Storage Unit, Hatfield Regis Grange Farm	Hatfield Broad Oak	Leasehold	Average	464
Unit 2 Shire Hill Industrial Estate	Saffron Walden	Leasehold	Average	418
Unit 43, Golds Nurseries Business Park, Jenkins Lane	Elsenham	Either	Good	296
6007 Taylors End, Long Border Road	Stansted	Leasehold	Good	294
Northside Stansted Airport - Building 129	Stansted	Leasehold	Average	283

SOURCE: BE Group 2015

Table A3.2 – Schedule of Office (and Laboratory) Premises

Property	Settlement	Tenure	Quality	Size, Sqm
Stansted House	Stansted Airport	Leasehold	Average	1,162
Endeavour House, Coopers End Road	Stansted Airport	Leasehold	Good	911
Coopers End Road	Stansted Airport	Leasehold	Good	864
Greens Building offices, Cambridge Road	Stansted Mountfitchet	Leasehold	Average	684
TriSail Towers (unbuilt)	Elsenham	Leasehold	Good	648
Enterprise House, Bassingbourn Road	Stansted Airport	Leasehold	Good	557
Ground and First Floors, Water Circle	Elsenham	Leasehold	Good	489
Endeavour House Suite 4, Coopers End Road	Stansted Airport	Leasehold	Good	339
M11 Business Link, Unit 26, Parsonage Lane	Stansted Mountfitchet	Either	Good	280
M11 Business Link, Unit 29	Stansted Mountfitchet	Either	Average	227
Stickling Green Lane	Clavering	Leasehold	Average	207
Unit 3, Twyford Court, High Street	Great Dunmow	Leasehold	Average	190
First Floor, Western House, Cambridge Road	Stansted Mountfitchet	Leasehold	Average	173
Unit 5, Twyford Court, High Street	Great Dunmow	Leasehold	Average	161
Hammerhill Studios, Hammerhill Farm	Thaxted	Leasehold	Average	154
Suite 3, Melville House, High Street	Great Dunmow	Leasehold	Average	125
Skyway House, Parsonage Road	Takeley	Leasehold	Good	113
10 & 11 Rose and Crown Walk	Saffron Walden	Leasehold	Average	107
2 Market Street	Saffron Walden	Leasehold	Average	95
1st Floor Offices at Winstanley House, Market Hill 4	Saffron Walden	Leasehold	Average	94
4 Bakehouse Court, 19 High Street	Saffron Walden	Leasehold	Average	93
46 High St	Saffron Walden	Leasehold	Good	87
Unit 12, Woodgates Farm, Woodgates End	Broxted	Leasehold	Average	80
26-28 Church St	Saffron Walden	Leasehold	Average	80
19 King Street	Saffron Walden	Leasehold	Average	77
Suite 2, Ground Floor, Melville House	Great Dunmow	Leasehold	Average	71
Unit 4B, Twyford Court, High Street	Great Dunmow	Leasehold	Average	67
The Stables, Rectory Farm Barns	Great Chesterford	Leasehold	Average	60
Wenden Court (First Floor Offices)	Wendens Ambo	Leasehold	Good	58
4&9 Eden End, Feathers Hill, Hatfield Broad Oak	Hatfield Broad Oak	Leasehold	Good	54
Unit D, Mole Hall, Cornells	Widdington	Leasehold	Good	51

Property	Settlement	Tenure	Quality	Size, Sqm
Lane, Widdington				
16 Market Row	Saffron Walden	Freehold	Average	43
Suite 6, Melville House, High Street	Great Dunmow	Leasehold	Average	41
2, Bakehouse Court, High Street	Saffron Walden	Leasehold	Average	40
3 Bakehouse Court 19 High Street	Saffron Walden	Leasehold	Average	40
5 Riverside Business Park, Stoney Common Road	Stansted Mountfitchet	Leasehold	Good	34
2 Angel Lane	Great Dunmow	Leasehold	Average	30
Audley End Business Centre, Room 17 & 18 The Old Forge	Saffron Walden	Leasehold	Good	28
5 Stansted Courtyard, Parsonage Lane, Takeley	Takeley	Leasehold	Good	23
Research Space				
Science Village, Chesterford Research Park	Great Chesterford	Leasehold	Good	2,600
Downing Building, Chesterford Research Park	Great Chesterford	Leasehold	Good	2,285
Mansion House, Chesterford Research Park	Great Chesterford	Leasehold	Good	155

SOURCE: BE Group 2015