

Nurturing Growth

A discussion paper to launch work on a new strategy to support economic development in the district 2019 to 2025

May 2019

Foreword:

Our district is a prosperous place with an economy that is resilient and strong. However, we are constantly looking to maximise opportunities that will benefit our residents, support our long-established businesses and nurture the ones that are yet to come.

The economy is developing and evolving in the UK. New industries, businesses and technologies are reshaping the skills we need, the employment on offer and how we access and use services. This, in turn, has an impact on our approach to protecting the environment and giving our young and not so young workers the opportunities they need to prosper. The district's strength lies in its beautiful green and unique heritage coupled with its connections to London and the opportunities presented by economic growth in neighbouring districts. This however also brings many challenges not least the lack of available land for growth, given that we are over 90% Green Belt and our residents wish to protect this wherever possible. The Epping Forest District's Local Plan is necessarily a balance between the requirement from Government to deliver the identified and evidenced need for 10,800 new jobs and 11,400 homes by 2033, and the need to protect the greenness of our district and the forest. We must also factor in Brexit and the challenges that may bring.

This strategy puts forward proposals to deliver a long-term vision and plan to future proof our economic success, enable entrepreneurs to become established, businesses to grow, and our residents to prosper. For instance this includes ideas around a new integrated transport strategy to help address challenges in and around the district.

This is not just a plan for the council, but a plan for the place that is Epping Forest District. One that business, education and public services can all get

behind, so we can pool our learning, resources and knowledge and make our district truly a great place to live, work, study and do business. To do this we need your input, helping us to focus on the things that will deliver value by making the best use of our limited resources.

Cllr Sam Kane, Economic Development Portfolio Holder, Epping Forest District Council

Introduction:

This document has been produced to encourage debate and discussion on how we can best support the development of the local economy.

Our economy is vibrant and diverse, based in a region that is successful and thriving and located between the two international economic powerhouses of London and Cambridge.

This report acknowledges the need to retain and build on our strengths as a successful home for small and medium size enterprises, placing less reliance on the public purse than other areas. Importantly, it also looks at how we might work to future proof our current prosperity and economic success and how that success might translate to the future given the likely impact of changes that are happening all around us.

The vision, priorities and actions are ideas at the moment.

We want your input and vision to enable us to develop these ideas and initiatives and release the opportunities they represent. This will enable us to focus on key areas to concentrate our efforts and achieve the best results.

Other Key Plans:

This strategy cannot exist in isolation. Other statutory plans and strategies define national, regional and local priorities and the Epping Forest District economic strategy must take these into account. This is especially relevant if we are looking to secure financial support from government and others to help fund some of our work.

These other key plans include the government's new national industrial strategy, the strategy of our Local Economic Partnership (SELEP), our neighbouring LEPs in Hertfordshire and London, those of Essex County

Council and perhaps of greatest relevance locally, our own Epping Forest District Local Plan.

Our Local Plan sets out, after exhaustive local consultation and research, the strategy for meeting the district's needs up to 2033. It outlines the future distribution of housing growth and sets out the locations for new employment space and thus jobs. It further sets out policies to maintain and enhance the vibrancy and vitality of our town centres, to support a sustainable transport and road infrastructure network and deliver the necessary infrastructure to support growth including schools, health and community facilities.

A key challenge contained in many of these plans is the need to raise the levels of productivity or GVA of the employment of the district. Importantly, this work on our local needs has been carried out in conjunction with councils and other partners responsible for our neighbouring areas. This economic strategy will not revisit these decisions, but will look to how we can develop our economy within this wider context, taking account of the strategies agreed in these accompanying documents. In many of these documents, land use is featured as an important facet of a growing economy. However this isn't the only factor in delivering a strong and robust economy for local people.

Draft Economic Vision:

We have already had some discussions with key partners and have come up with this overarching vision for the strategy. Is this the right vision, is it challenging enough or too challenging, is there anything missing?

“A place where we create prosperity that everyone can share, becoming the best place to live and do business in Essex.

A place that is connected like no other.

A place of innovation and ambition, where we make the most of our proximity to London and limited development land to:

- support local entrepreneurs
- keep taxes low
- invest in our residents' skills
- ... while protecting our green and unique heritage.”

Key Priorities:

To be effective we must target limited resources to where they will bring greatest value to the local economy.

The following seven key priorities are designed to provide long-term guidance to our work. These priorities will be underpinned by three-year delivery plans which will set out in detail what we will do to deliver them, and a set of indicators which we will use to measure our performance. Are these the right priorities for you, are there too many, is anything that will bring greater benefit missing?

Delivering 21st century infrastructure making this the best place in our region to do business

Securing further investment from the public and private sector in enhancements to our road, rail, tube, digital 5G networks and employment sites.

Vibrant, diverse and resilient high streets

Maintaining and developing the offer from, and footfall on, our high streets, to meet the challenges of online retailing and the expectations of shoppers and residents.

Exploiting opportunities and developments outside the district

Making sure workers and businesses access jobs, contracts and investment from growth in London, Stansted, Harlow, Cambridge and beyond.

Building partnerships that deliver

Working more closely with government, Local Enterprise Partnerships, neighbouring councils and research and innovation bodies to coordinate activity and better support cross border and cross sector working.

Meeting the skills challenge together

Giving all our residents and local businesses access to first rate education, skills and training opportunities throughout life, to support their ability to access the best jobs, and respond effectively through up-skilling to changing employment opportunities both within and outside the district.

A place for entrepreneurs and businesses to thrive

Finding new spaces and new opportunities and approaches to support business start-ups through intensifying the use of existing industrial, retail and employment land.

Helping rural areas thrive

Ensuring our rural communities are sustainable in the long-term and are able to share fully in the district's growth and prosperity through the sensitive introduction of new opportunities in agriculture and tourism.

Where are we now?

Epping Forest District Local Plan is currently undergoing independent examination and is forecast for adoption in late 2019. This plan will shape how the district develops until 2033 with investment from the public and private sector. More detail can be found at: www.efdclocalplan.org/

Our local economy is in a good place and has performed well, even through the economic downturn from 2008. We have a wide variety of businesses working across a range of different economic sectors and this spread has made the area less prone to the impact of downturns in any one particular sector, or general contraction as experienced in areas such as the public sector.

A significant number of local people commute out of the district to jobs offering higher income, often in sectors that aren't available locally. These salaries allow residents to afford the relatively high costs of housing, especially in the commuting areas in the south of the district. Figures produced by the South East Local Enterprise Partnership confirm that our district has some of the least affordable housing of all the areas it covers.

While our local economy is generally strong and performs well against most indicators of performance, unlike many other places, it's strength is intrinsically linked to the success and growth of surrounding economies - most notably that of London and the London Stansted Cambridge Corridor. This proximity, however, also makes the Epping Forest District the ideal new home for higher-value jobs being forced to relocate by overheating economies in London and Cambridge where land availability and property costs are causing businesses and investors to seek suitable alternative locations for expansion.

Despite the opportunities our district offers, traditional challenges such as the pull of the London economy and the lack of major available sites for economic growth, continue to have a negative impact. And these are being joined by new challenges including the changing face of employment driven by digital technology, which also brings opportunity with the potential to attract and grow new knowledge-based roles that are redefining our future.

This strategy is concerned with meeting local people's expectations around future proofing and improving, where possible, the district's economic performance whilst at the same time protecting what we have already built by, for example, retaining business accommodation where it is vulnerable to conversion to residential.

Key Aspects of the District Economy

This section takes a more detailed look at some of the sectors and issues that research and discussion with partners and stakeholders has indicated should be specifically addressed in this strategy.

High Streets and Town Centres

Our district's retail offer differs from many as, rather than having one main urban area, it is made up of a range of market towns, each bringing their own special charm and character.

Our high streets performance is relatively strong with a good range of shops and services and little by the way of vacancies and empty properties in comparison with other areas of the UK.

Residents enjoy the mix of independent outlets and national chains but, as the district does not host any major out of town shopping centres, this brings competition from the London retail offer, major shopping centres in Harlow and Chelmsford and the Brookfield Centre in Broxbourne all of which are within relatively easy reach.

Online retailing and the changing face of high streets are having a very real impact on the ability of our local traders to maintain, let alone grow, their share of our local population's retail expenditure. With many of our most affluent residents drawn to London and the upward pressure on rents, driven

by the competition independent retailers face from national chains, our high streets continue to be an area for attention and support.

There are many steps the council, together with local partners, could take to address these challenges. Some are set out below.

Potential Actions

- Ensure the delivery of the St John's Road area in Epping as a key town centre regeneration scheme.
- Keep business rates as low as possible
- Retain existing provision for car parking and maintain costs to competitive levels
- Looking at introducing a new £50,000 annual High Street Fund Competition to boost local action in town centres
- Actively pursue external investment funds to invest locally
- Deliver free WI-FI and improved mobile connectivity in all town centres to support footfall
- Provide greater support to town centre partnerships

Is this a priority? Are these the right things to do, are there any other steps we should consider to improve things on our High streets?

Key Aspects of the District Economy

Tourism and Visitor economy

Our district has an enviable breadth of heritage and natural infrastructure including nationally recognised green spaces and a wide range of activities and attractions. From the Epping Ongar Heritage Railway to the Olympic white-water centre on our doorstep, historic Waltham Abbey to the oldest wooden church in the world, our mix of things to do, combined with great places to eat, drink and relax, make our towns and villages, and the places in-between, a great destination for visitors and a great place to live. With London on our doorstep and an expanding Stansted airport to the north, this area has major tourism opportunities.

Businesses have told us this is an economic sector where we can use our green assets to create jobs and income whilst valuing and protecting their future, using the income generated and funding sourced, to invest in their future security for the enjoyment of all.

The national tourism economy has outstripped general economic growth levels over recent years. In the district this pattern of growth has been mirrored, and while it is now slowing down in other areas of the country it continues to grow locally at a significant rate. The latest figures show this sector of the Epping Forest District's economy grew by 7% taking the overall value to more than £220 million, increasing local opportunities for employment, particularly in entry level jobs.

Potential Actions

- Work to retain and expand visitor accommodation both in the area or nearby
- Develop greater coordination and joint work with neighbouring councils and key infrastructure providers such as TFL, Stansted airport and Greater Anglia rail network
- Agree a long term branding and marketing plan with partners for our tourism offer
- Develop rural accommodation in pubs and disused buildings
- Ensure rural broadband connectivity, coverage and speeds
- Conduct a feasibility study into improved connectivity between the Epping Ongar Heritage Railway and visitors arriving at Epping Station

Is this a priority? Are these the right things to do, are there any other steps we should consider to grow this sector of the local economy?

Key Aspects of the District Economy

Infrastructure and Transport

With the M25, the M11, mainline railway and extensive London Underground connections (more than many London boroughs), plus access to Stansted and Heathrow airports, the district is well served for primary travel routes.

However, capacity constraints mean the district itself can become gridlocked, especially if there is a failure on any of these major connections. As this inevitably leads to business disruption, it places more reliance on the use of private transport with the resulting impact on our rural infrastructure and an upsurge in pollution. Crossrail 1 and 2 has the ability draw traffic away from the current routes and create additional capacity, and four tracking of the London Liverpool Street line can also provide a range of better travel options for commuters. Given the high and growing number of local commuters, swelled by those from outside accessing the tube in our district, there is real local concern about capacity on existing local links. The need for a robust long-term transport infrastructure investment plan is more central to prosperity in the Epping Forest District than perhaps any other place in the South East.

Epping Forest District Local Plan sets out policies to support a sustainable transport and road infrastructure network and the Plan is accompanied by an Infrastructure Delivery Plan to include the infrastructure requirements that are necessary to support new development. The District Council however, has limited control over the provision and management of transport connections. It is important for the district that residents can effectively access, and therefore take advantage of, the new growth and employment opportunities at Harlow, Stansted, London and beyond.

In addition to public transport, new cycle networks and walking trails would encourage sustainable travel to work plus benefit visitors from London and beyond to sustainably access local attractions. Travel within the district has been a traditional source of concern, particularly connecting the more rural locations and this has caused access to employment problems and restricted residents ability to participate fully in the life of the community. It is therefore no surprise that the district has particularly high levels of car ownership reflecting the only practical solution to this need.

Employment sites can also be considered as a key element of the district's infrastructure. We know that there is a strong demand for employment space locally but we also face challenges in increasing and enhancing the existing supply. Within this context, the district is targeted to deliver an extra 10,800 jobs over the Local Plan period to 2033. Whilst not all of these jobs will require employment premises, the Local Plan sets out the allocation of 23 ha of new employment sites and supports the protection and enhancement of existing employment sites. Key to the future growth of the district's economy will be the provision of high quality office and industrial space to support the high start-up dynamic locally, to provide grow-on space for expanding businesses and to attract new investors.

Potential Actions

- Support Essex County Council to deliver the new M11 Junction 7a at the earliest opportunity and work with partners to deliver improvements on Junction 7
- Work closely with TFL/London Underground to retain investment and increase capacity on the Central line, ensuring district representation on decision making bodies. Also support, with partners the four tracking option on the London Liverpool Street line
- Support the growth of Stansted airport and develop new links for local businesses in the supply chain of this growing regional employment hub and greater opportunities for employment of local people.
- Expand cycle networks in district
- Work with partners to ensure an integrated sustainable transport corridor for Harlow and Gilston Garden Town is delivered and explore opportunities for a wider integrated transport strategy for the surrounding boroughs and districts
- Lobby government, SELEP and other agencies to support our infrastructure needs
- Promote Epping Forest District as a location for business
- Support the delivery of new employment site allocations to derive the greatest employment dividend and to deliver employment space that is high quality and flexible, responds to demand and supports the grow-on of local

businesses as well as offering opportunity for inward investment

- Resist change of use of employment sites and look for opportunities to intensify and strengthen existing employment sites
- Work collaboratively with partners to develop opportunities to access external funding to leverage private sector investment to deliver jobs on existing or potential new employment sites

Is this a priority? Are these the right things to do, are there any other steps we should consider to address these issues?

Key Aspects of the District Economy

Partnerships That Deliver for Epping Forest District

The district is dependent upon the areas it is connected to for its prosperity, perhaps to a greater extent than many other places, including other locations bordering London. Residents commute out of the district, accessing employment opportunities not available locally (typically securing higher paid London jobs) whilst a smaller number of workers from neighbouring districts and London commute in to fill roles in local jobs providing a much-needed impetus to the local economy. Many local services companies also depend on serving London as well as nationally.

Although vital to our economic wellbeing, the district has no direct control over the institutions and organisations that provide the infrastructure and employment, or skills and investment, that maintains and grows the key ingredients to our prosperity and wellbeing. The South East Local Enterprise Partnership, central government, colleges and universities and large and small businesses are the dynamo of local growth.

To monitor and influence these organisations and ensure they are contributing effectively to the prosperity of our district, requires that we have mechanisms to exert influence over their plans and strategies and work in partnership to keep them informed about our area's strengths and opportunities.

Potential Actions

- Establish an Economic Partnership for the District, in collaboration with the private sector, bringing together key businesses, infrastructure providers, local

councils and research, skills and teaching bodies, to coordinate and fund initiatives locally

- Work positively with partners to ensure that opportunities for economic growth are realised in the development and delivery of Harlow and Gilston Garden Town
- Work closely with the London Stansted Cambridge Consortium to promote the area as a business investment zone for businesses to the north and south of the district and build employment and supply-chain business opportunities at Stansted Airport
- Maintain effective representation on the South East Local Enterprise Partnership and effective engagement with Herts Local Enterprise Partnership
- Establish cross-sector partnership between East Herts and West Essex to lead, co-ordinate and promote the local economy.

Is this a priority? Are these the right things to do, are there any other steps we should consider ?

Key Aspects of the District Economy

Skills and Employment

Epping Forest District has a mixed skills base scoring highly for professional skills but is also home to residents with relatively low skills. It has a low level of NEETS (not in employment, education or training).

Those with professional, management or high-end technical skills tend to work out of the district with Westminster and the City of London the top destinations, followed by Tower Hamlets and Camden. These are areas where a wider range of jobs and higher salaries can be easily accessed. The top point of departure for those working in the district is Harlow followed by Uttlesford. There is a workflow imbalance with a higher number of workers commuting out of the district than those coming in. There is an increase in the numbers of people working from home either full time or as part of a flexible work pattern. This is one aspect of the changing face of employment due to digital connectivity. This highlights the growing importance of digital skills that are key to gaining employment in the new digital industries, to utilising the new digital

enhancements in existing industries and fundamental to accessing products and services that will increasingly be delivered digitally.

The biggest employment areas in the district are the construction, finance & insurance, digital & creative, care, advanced manufacturing and logistics sectors. Of those, construction is by far the biggest with the most employees and the most individual businesses. It also has one of the highest vacancy levels alongside finance & insurance. However the construction sector is evolving with new models of building emerging which are changing the skills sets required. This evolving skills requirement is a feature of most sectors across the district. The district has a relatively low level of public sector jobs.

The backbone of the local economy are micro and small businesses with the vast majority falling into this category. A break-down on the balance of employment in the district is contained below. (2016 figures)

- 20% of those in employment are self employed. 55.9% are employees.
- Of the businesses in the district:
- 92% are micro (0-9 employees)
- 6.6% are small (10 to 49 employees)
- 1.1% are medium (50 to 249 employees)
- 0.2% are large (250+ employees)

Potential Actions

- Work to support the launch and delivery of forthcoming T Qualifications by building stronger links between education and training providers and local businesses
- Work with local businesses and skills and training providers to ensure the right skills are available in the district at all levels
- Create a skills charter to ensure local stakeholders understand the needs of local businesses and agree to offer opportunities and supportive trading conditions to promote business security and growth
- Work with Public Health England, and Stansted to secure employment opportunities for local people within these major local employers
- Work with the NHS to bridge the gap between skills provision and employment needs

- Work with the Department of Work and Pensions (DWP) to help the economically inactive into work

- Work with developers and future occupiers of new employment sites to maximise employment, skills and training opportunities for local people

Is this a priority? Are these the right things to do, are there any other steps we should consider to grow this sector of the local economy?

Key Aspects of the District Economy

Growing Our Food Sector

For over one hundred years Epping Forest District has been at the heart of the country's intensive growing/glasshouse industry.

This makes the area unique and it remains a key strength of the local economy with food security becoming an important aspect of government policy. An estimated 2,000 local jobs are connected to the sector, which produces a potential till value of over £1 billion per year and supplies almost all the major supermarkets in the UK. As well as serving the food market, plants grown under glass are fast becoming an important new development in the search for ingredients in the pharmaceutical industry. The glasshouse industry is one of the few whose business operations are compatible with the Green Belt and is supported through the policies in the Local Plan.

Local growers (of which there are almost 100) range from small family concerns to very large businesses that are ranked in the top 100 in Essex. The district produces most of the cucumbers and peppers grown in the UK as well as significant amounts of other fresh produce such as tomatoes. Whilst over time the acreage of the glasshouses has diminished, productivity, through new technology, has significantly increased. The industry is now setting new standards for productivity and innovation, plus new varieties and improvements in packaging, and has seen a resurgence of investment and expansion over recent years. Food from our glasshouses is produced without subsidy, and at a profit. Although margins have been driven down for many years these have been offset by efficiency savings and investment in new glasshouses, which are larger, taller and feature increased automation.

UK consumers increased preference for safe and local UK produce is driving increased demand. With potential issues around tariffs impacting on the price of non-UK produce, there is significant demand for expansion of UK's growing capacity. This is matched by the wish of the growers to expand in the traditional areas of production such as the Lee Valley. However opportunistic values make land difficult to acquire to enable expansion and workforce issues are also inhibiting growth locally.

Potential Actions

- Set up a Strategic Food Board for the Southeast with central government to devise a new integrated policy, including planning and skills and workforce, to enable and financially support glasshouse growth
- Implement the policies in the Local Plan to support the food sector
- Build closer links between research institutions and the industry to further expand innovation and efficiency, reduce carbon impact and build food knowledge to rival Holland
- Work with neighbouring councils to find sites for expansion of the glasshouse industry, around the traditional areas

Is this a priority? Are these the right things to do, are there any other steps we should consider to grow this sector of the local economy?

Key Aspects of the District Economy

A place for entrepreneurs and business start ups

Epping Forest District is characterised by micro and small businesses. There is a strong entrepreneurial spirit and these start-ups have an above average success rate in the number getting past the difficult early years of operation. This is a key feature of our economy and one which we want to encourage and support. These small businesses make up the majority of employment across a district that has very few medium and large employers.

For many years the need for start-up space has been met primarily by the market. A range of serviced and supported office/business accommodation has been established locally across the district including modern and innovative

centres such as those at Crate Loughton, M25 Business Centre, The Pixel Building or Ongar Business Centre, to service this need.

In other places, where the small business market isn't so strong, these types of developments have required significant public-sector investment to support their establishment. Those in the Epping Forest District are working well but additional capacity to meet demand, and most especially grown-on space, is at a premium as site acquisition often must compete with, and loses out to, residential values or other more traditional usage.

While small businesses are at the core of our economy they often require additional support to grow to their full potential. It is therefore equally important to ensure that policies and plans are in place to sustain the variety and vibrancy of the local offer across all the sectors in which our businesses operate.

Potential Actions

- Ensure local small businesses are more able to access major and minor contracts from the public sector
- Implement a Small Business Charter that encourages and commits large firms in the region to give local small businesses a chance to bid for contracts and agrees prompt payment to support cash flow
- Ensure planning policy implementation looks at opportunities for serviced small businesses hubs in the delivery of allocated employment sites, regeneration of designated employment sites where appropriate; or in masterplans for strategic sites
- Ensure the roll out of superfast broadband and speed improvements respect the needs of small business and clusters
- Work with external partners to ensure local businesses get their fair share of government and other agencies grant funding and advice and support services
- Ensure small businesses and business start-ups are fully represented on the new District Economic Board
- Resist change of use and look for opportunities to intensify and strengthen existing employment sites.

Is this a priority? Are these the right things to do, are there any other steps we should consider to grow this sector of the local economy?

Key Aspects of the District Economy

Supporting our Rural Economies and Communities

The district is over 90% Green Belt and many of our residents live in our rural areas. This does not stop these areas being economically productive.

Innovation in our agricultural sectors, and our glasshouse industry is continuing to drive up productivity, while tourism is growing with additional bed capacity being put in place in many of our rural pubs and restaurants. These sectors are important job creators.

The retention of key infrastructure in rural communities such as pubs and shops remains important as does the continued investment by the council and other partners in delivering superfast digital connectivity. Access to services and employment opportunities remains a significant challenge for those wishing to live or work in the rural areas. The need for an integrated public transport system is very important.

Potential Actions

- Prepare an effective and successful bid for the governments 5G rural challenge fund to access up to £25 million to invest in and future proof rural infrastructure
- Deliver tourism initiatives with a real focus on the rural visitor economy growth, ensuring there is a specific set of activities and investments for this
- Work creatively with partners to bring redundant rural buildings to bring back into productive life
- Ensure that the integrated transport strategy has a core focus of effectively serving rural areas with sustainable access and choices
- Deliver all the commitments in this strategy to ensure that the needs of rural economies are reflected and a focus is maintained in the delivery of real outcomes

Is this a priority? Are these the right things to do, are there any other steps we should consider to grow this sector of the local economy?

Conclusion

This draft strategy is the first stage of our work.

It is based on research we have commissioned to give insight into the local economy and its opportunities and challenges. It has been produced to encourage discussion on the focus for economic work in the district over the longer term and to identify key priorities for action and investment, defining what long term economic success should look like.

This is the first opportunity for businesses, residents and other partners and stakeholders to give their views.

Please take some time to give us your views on what's important. If we have missed something that you believe is essential, let us know, if we have suggested something that you don't believe will work, explain to us why. And if you have your own suggestions for things you believe we should be doing to support and grow our economy, this is your opportunity to let us know.

Please email your comments to Duncan Haslam (Economic Development Assistant) at dhaslam@eppingforestdc.gov.uk. If you have any questions about the document or would like a more detailed discussion, please contact John Houston on 01992 564 094.

The last date for sending any comments back to us is the 27th May 2019.

Thank you for your interest and support your comments will help us ensure we develop programmes and plans that nurture economic growth and prosperity.