

Overview

The job market in Hertfordshire is cooling and rebalancing after high demand and staffing shortages. Unemployment remains low despite a slight rise in early 2024. Median workplace earnings in Hertfordshire increased by 5.8% to £39,826, higher than the UK average. Job vacancies fell by 27% in 2024, but the employment rate stayed high at just under 80%. Private equity investments dropped in value and volume, but the average investment size increased, indicating a shift towards larger deals.

Summary

- The job market is gradually cooling and rebalancing after a period of high demand and staffing shortages. This means that while vacancies are still present, they are decreasing from their peak levels.
- The unemployment rate in Hertfordshire remains comparatively low, compared to the rest of the UK. Despite a small increase in unemployment in the first half of 2024, unemployment in the county had stabilised in the latter half of the year.
- In terms of wages, Hertfordshire's median workplace earnings increased by 5.8% in April 24 compared to 6.9% in the UK over the same period.
- Private equity investments dropped back in 2024 by both value and volume but the average size of investments increased.
- Residents of Hertfordshire also enjoyed higher median earnings compared to the national average, indicating that many residents work in well-paying jobs either within or outside the region.
- The exceptions, where local workplace earnings were higher than residential earnings, were in Hertsmere, Stevenage, and Welwyn Hatfield. (Table 1)

Job vacancies and unemployment

- In 2024, the job market faced significant challenges, leading to a notable decrease in job vacancies. According to the Office for National Statistics (ONS), the number of job vacancies in the UK fell for the 29th consecutive period by the end of 2024.
- In Hertfordshire, there were 161,759 unique job postings in 2024 compared to 221,644 in 2023; a 27% reduction in job postings compared with 2023 (Table 2).
- At the end of December 2024, monthly job vacancies in Hertfordshire fell for 14 months in succession in all 10 of the county's local authority districts.
- Alongside the fall in Hertfordshire's job vacancy postings, there was also a slight rise in unemployment in the first half of the year. The percentage of people claiming benefit and looking for work rose from 2.6% in January 2024 to 3.1% in June; a rate it had held up to November 2024. Several factors contributed to this challenging year:
 - Economic uncertainty: companies were cautious about hiring due to economic instability and inflation concerns
 - Supply chain disruptions: ongoing supply chain issues affected industries' ability to operate smoothly, leading to reduced hiring

Employment and Skills in Hertfordshire

Wage growth

- In 2024, Median gross annual earnings for full-time employees in the UK were £37,430, compared with £35,004 in April 2023, an increase of 6.9%.
- In the same period, workplace earnings for full time employees working in Hertfordshire rose at a slower rate of 5.8% but were higher than the national average at £39,826 highlighting the county's continuing economic strength and attractiveness for high-paying employment.



- Shift in business priorities: Many companies re-evaluated their workforce strategies, focusing on cost-cutting and efficiency
- Despite these challenges, there were still some positive signs, such as a slight increase in workforce jobs and a degree of resilience in labour market conditions towards the end of the year. The employment rate in Hertfordshire remained high at just under 80%.
- Overall, while the job market is rebalancing, hiring conditions remain somewhat challenging.

Business Intelligence

- In 2024, the total value of private equity fundraisings in the UK was significant. According to Beauhurst, the total amount raised was approximately £12.5 billion across various sectors.
- In 2023, the total value of UK fundraisings was approximately £10.5 billion, representing growth of around 19% over the year.
- The UK investment landscape was dominated by London which accounts for 47% of all UK equity deals by volume, but 61% by value.
- In Hertfordshire, the number of deals in 2024 fell to 55 from 116 in 2023. Despite the drop in volumes, the average value of investment increased from £1.7m per deal to £2.2m. However, the overall levels of investment fell from £196m in 2023 to £146m in 2024. (Table 3)
- This is significant as private equity can enhance the financial performance and overall value of their portfolio companies, driving both growth and profitability.
- Whilst we have seen a cooling in private equity investments in Hertfordshire overall, there remains strong interest in the county in the Technology and Biotechnology sectors, but it has yet to get back to the pre- pandemic heights of investment.

AstraZeneca and Stevenage-based [Achilles Therapeutics](#) recently finalised a deal where AstraZeneca acquired technology assets from Achilles for \$12 million. Achilles is a company working on advanced cancer treatments. They use AI to create personalised T-Cell therapies that target unique protein markers found on cancer cells.

[MDA Space](#), a Canadian space technology company, is building a significant presence in Stevenage, UK. The company specialises in advanced space exploration and satellite communications technologies. Recently, MDA announced plans to expand their operations by leasing a new facility on Cavendish Road, that will accommodate up to 100 digital satellite payload specialists.

[Carlsberg's £3.3 billion deal](#) to buy Hertfordshire-headquartered soft drinks manufacturer Britvic has been given the green light by Britain's competition watchdog, the Competition and Markets Authority.

[Aerospheres](#), a supplier of consumables to the aviation industry, has committed to a new ten-year lease of DC9 Prologis Park Hemel Hempstead. DC9, is a 74,770 sq ft facility located near the M1 and M25 motorways.

[Cityheart](#), a housing, regeneration and placemaking development specialist, has entered an agreement with East Herts District Council to deliver a mixed-use town centre redevelopment on the Old River Lane site in Bishop's Stortford.

Mediterranean food importer [Lupa Foods](#) has been sold to private-equity backed Nordic food group, Geia Food, for an undisclosed sum. The acquisition by Geia Foods, for an undisclosed sum, represents a big move for Borehamwood based Lupa Foods, which is poised to elevate its market presence and unlock new growth opportunities under the new partnership.



Stakeholder Feedback

Key findings from FSB Research reported in December.

1. **Concerns about the Employment Rights Bill**
 - o 92% of small employers expressed concerns about the Bill.
 - o Major apprehensions centre around changes to unfair dismissal legislation, allowing employees to sue for unfair dismissal from their first day of work.
2. **Impact on Recruitment and Business Operations**
 - o **Recruitment:** 67% of small businesses plan to recruit fewer staff.
 - o **Headcount Reduction:** 32% anticipate reducing their workforce before the measures take effect.
 - o **Investment Plans:** 56% intend to cancel or scale down business expansion plans.
3. **Implications for Job Seekers**
 - o 87% of small employers plan to change recruitment practices to mitigate risks posed by the Bill.
 - o 66% are less likely to hire individuals with a poor work history.
 - o 33% will avoid hiring individuals without prior job experience.

Table Two: Job vacancies

Unique job postings in Hertfordshire 2020-2024 (Jan-Dec)

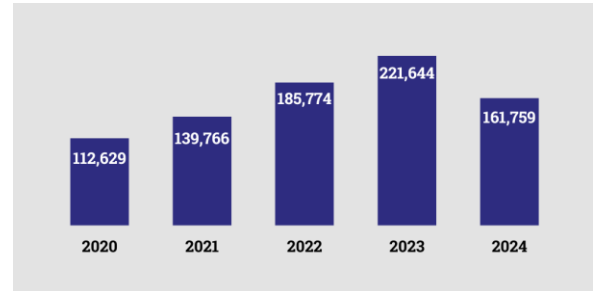


Table Three: Private Equity Investments in Hertfordshire

Value of Fund raisings (£million)

Source: Beauhurst.com

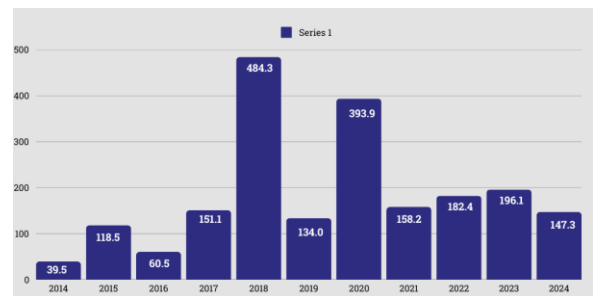


Table 1: Workplace earnings and residents' earnings in 2024

Source: Annual survey of hours and earnings – ONS

Workplace earnings			Region	Residents based earnings			
No. Full time jobs ('000)	Annual Salary (£'s)	Annual percentage change		No. Full time jobs ('000)	Annual Salary (£'s)	Annual percentage change	% variance (residents/workplace)
17,248	37,430	6.9	United Kingdom	17,248	37,430	6.9	0%
1,460	36,949	6.0	East	1,460	36,949	6.0	0%
293	39,862	5.8	Hertfordshire	314	44,333	6.2	10%
17	37,611	5.9	Broxbourne	22	40,907	4.6	8%
45	34,161	3.1	Dacorum	38	41,642	5.4	18%
25	42,852	5.3	East Hertfordshire	44	48,678	5.3	12%
23	44,347		Hertsmere	24	42,168		-5%
29	36,802	-2.9	North Hertfordshire	38	46,098	6.3	20%
31	40,149	11.2	St Albans	41	53,829	12.0	25%
32	38,897	-6.8	Stevenage	27	36,425	8.2	-7%
X	43,676	-6.5	Three Rivers	23	46,457	14.8	6%
27	39,448	19.4	Watford	25	42,786	10.5	8%
42	44,496		Welwyn Hatfield	31	41,552	5.6	-7%



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Manufacturing

