

## The journey so far

Hertfordshire Futures held an Economic Strategy launch event at Knebworth House shortly after the General Election in July 2024. The event itself was very well attended and there was much interest in, and enthusiasm for, the prospect of a new Economic Strategy. The last full iteration on the Strategic Economic Plan was completed seven years ago, and much has changed since. Although a draft Local Industrial Strategy was prepared in 2019, it was superseded by a change of prime minister and then the pandemic. It was agreed that a refreshed Economic Strategy is now needed.

## In-person and digital engagement programme

Hertfordshire Futures has been working through a substantial in-person and digital engagement programme with key partners and stakeholders across (and beyond) Hertfordshire.

This has included:

- one or more bilateral sessions with the majority of district councils (usually involving both officers and elected members) and regular briefings with Hertfordshire Chief Executives and Leaders
- meetings with sector-specific business groups (e.g. life sciences) and SMEs (including via a business survey and an event for over 100 businesses/local stakeholders with biz4Biz)
- meetings with central government departments (e.g. DWP)
- meetings with key partners (e.g. FE Principals)
- discussions with broader partnership groups (e.g. at the Intalink Enhanced Partnership Annual Bus Event) and a workshop with Hertfordshire Infrastructure and Development Board (HIDB)
- a dialogue with neighbouring local authorities (including Central Bedfordshire Council, Luton Borough Council, Buckinghamshire Council)
- engagement with young people, principally through a Young People's Survey (targeted at those aged 16-24)
- extensive media targeting through earned and paid for editorial coverage; targeted social media posts to our key stakeholder groups and a dedicated webpage.

## We would like to thank

All of those who have participated in these meetings and/or completed our surveys. The different views, insights and perspectives have been invaluable. They have caused us to reflect hard on the nature of Hertfordshire's economy, and the shape of future priorities across the county.

Many different perspectives have been articulated and aired. These include:

- **the importance of increasing economic participation and the links between work and health:** We heard concerns about rising levels of economic inactivity which appears, increasingly, to be due to ill health.
- **a continuing concern about the supply of employment sites and premises, and links to inward investment:** We were told that enquiries from would-be investors were often difficult to convert due to the limited stock of investor-ready employment sites and premises.
- **a recognition of the changing nature of London's commercial property offer, and the implications for Hertfordshire (as price differentials are reduced):** Post pandemic – and linked, in part, to the growth of hybrid working – businesses are using commercial property in central London in different ways. Given levels of connectivity, this has implications for some of Hertfordshire's major growth sectors. The relationship is one that the Economic Strategy will need to consider.



- **the significance and urgency of the net zero transition, and the wider consequences of a changing climate:** Among different stakeholders, there was widespread concern about the sustainability of growth and its links to the transition to net zero carbon. The comment was also made that this represents a significant opportunity for businesses within the county.
- **the importance of a more creative dialogue with developers and other investors, and the need to think very carefully about associated leverage, etc.:** Hertfordshire does attract interest from developers and the view from many stakeholders was that this needs to be managed effectively, attracting private sector investment to the county.
- **a clear recognition of the links between housing and sustainable economic growth:** Labour supply is an issue for many major sectors in Hertfordshire, yet for many individuals and families, Hertfordshire is a very expensive place to live. The importance of delivering housing – but doing it well – was widely acknowledged.
- **an acknowledgement of the importance of digital connectivity and associated solutions, particularly as the nature of work changes and patterns of service delivery also evolve:** We were told that ‘more needs to be done’ in unlocking the possibilities of digital solutions across Hertfordshire, potentially in all spheres of the economy. It will be important that people have the skills and confidence to use digital solutions.
- **the criticality of an ongoing dialogue with our geographical neighbours (including London, but also Cambridgeshire, Essex, Luton, Central Bedfordshire, and Buckinghamshire):** Stakeholders recognised that businesses in Hertfordshire often employ people who live outside the county, while those who live in Hertfordshire may work elsewhere. Supply chains and clusters are not constrained by administrative boundaries. There is a need to work across functional economic geographies where appropriate.

*Insights from the county's young people:* These have been especially helpful. Close to 400 young people (aged 16-24) completed an online survey. Among those still in education, around 10% planned to live and work in Hertfordshire in the future. This was less than the proportion that intended to live locally but work elsewhere (13%). It was much lower than the proportion that intended to both live and work outside the county (34%). About 66% of the survey respondents identified ‘where to find suitable job opportunities’ as a challenge facing Hertfordshire’s young people. Some 63% flagged the issues surrounding ‘lower salaries and higher living costs’.

This all suggests that the breadth of available opportunities in Hertfordshire may not be fully understood, and also that issues linked to affordability are well recognised, particularly by Hertfordshire’s young people. The new Economic Strategy will need to provide a compelling response.

*Implications:* Overall, the core themes of Hertfordshire’s previous economic strategies were widely recognised – including the critical significance of three sectors (life sciences, advanced manufacturing, and creative industries (specifically film and TV production)). At the same time, it was noted that other sectors/clusters need consideration too – including professional services and construction.

In addition, three themes emerged from the engagement process which will mean that the new strategy is somewhat broader than those that have preceded it. Specifically:

- it will need to give some consideration to **health and well-being**, recognising both the links to economic activity rates and **inclusion**, and the imperatives surrounding an ageing population that is likely to want and/or need to work for longer
- it must pay more attention to the **environmental dimensions of growth** and broader considerations linked to **sustainability**
- **digital possibilities** take many different forms, but they are likely to be critical looking ahead – from basic digital literacy through convergence across sectors and the need for an outstanding digital infrastructure.



## The changing picture nationally

The discussions have taken place against a backdrop of an evolving policy context – from the publication of the Modern Industrial Strategy Green Paper and the new Chancellor’s first Autumn Budget (both in October 2024), to the Get Britain Working White Paper (in November 2024) and the English Devolution White Paper (published in December 2024).

We will need to consider these, and other, changes in the policy landscape as we develop our Economic Strategy over the next few months.

## What happens next

We intend to continue to work closely with our businesses and other stakeholders as the process moves forward. Most immediately this will include three webinars which will take place in January and February 2025 (on inclusion, sustainability and digital). Our intention is to publish a draft Economic Strategy for consultation in spring 2025.

We look forward to continuing to work with you during 2025. In the meantime, we would like to thank you for all the inputs to date.

