

# **Hertfordshire Economic Development Strategy 2006-2011**

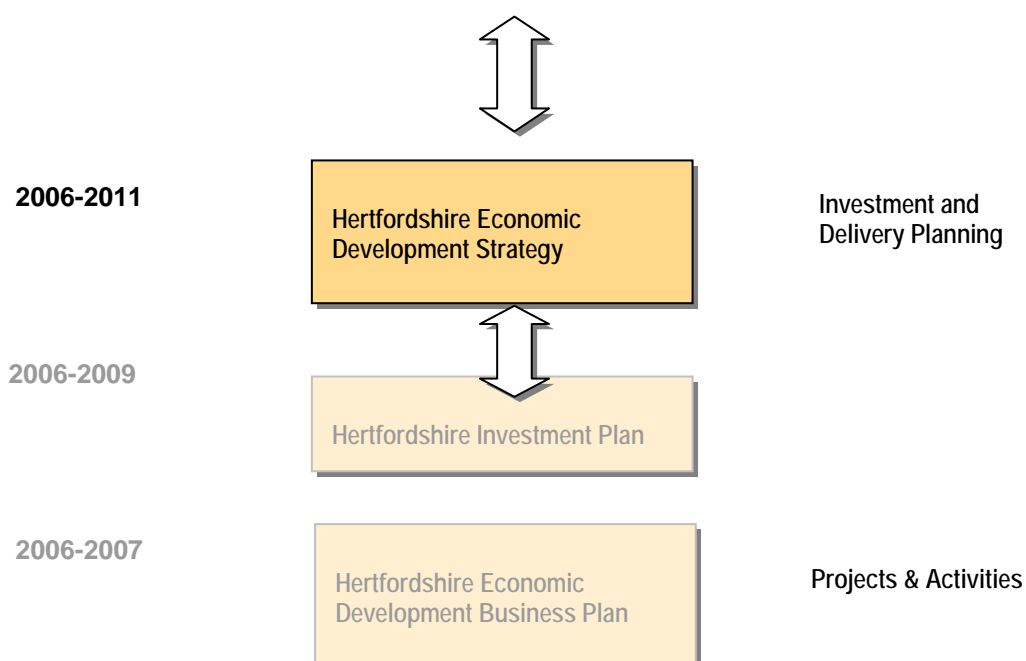
***Final Draft***

***October 2006***

# **The Hertfordshire Economic Development Strategy**

## **2006-2011**

This document forms the first of a hierarchy of three documents relating to the Hertfordshire economy:



The Hertfordshire Economic Development Strategy (HEDS) forms the first of these documents and sets out the vision and strategy for Hertfordshire over the next five years.

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## 1. Forward and Vision

*"This is the second 5-year economic development strategy produced by Hertfordshire Prosperity Ltd. It extends the policies and interventions defined in "Prosperity in Hertfordshire" the first strategy which covered the period 2000-2005. That strategy and accompanying action plan identified the Partnership's priorities in four themes and eight broad actions, identifying those agencies which would co-ordinate their delivery.*

*Excellent progress has been made on implementing that strategy and notable recent successes include:*

- *Investing in Communities programme agreed by EEDA*
- *Rural Renaissance projects*
- *Acquisition of a state-of-the-art bio-incubation facility, Bio Park Hertfordshire*

*The key to this success is working in partnership – collaboration is an established practice amongst organisations in Hertfordshire. Indeed, Hertfordshire Prosperity Ltd can rightly regard itself as a pioneer in successful partnership working. This experience, and the nature of the relationships between partner organisations, places it in a good position for the challenges and opportunities that face the county over the next five years.*

*Hertfordshire Prosperity Ltd works closely with EEDA, the Regional Economic Development Agency for the East of England. In 2004, EEDA produced its third economic development strategy, "A Shared Vision". This identifies 8 regional economic development goals and the regional partnerships that will deliver them. As the sub-regional economic development partnership, Hertfordshire Prosperity Ltd now has the task of interpreting EEDA's goals and objectives in the context of Hertfordshire's economy. The broad objective of this is to deliver sustainable economic development in the county in partnership with other agencies and organisations across the private, public and voluntary sectors.*

*The period 2000 to 2005 was one of great change locally, regionally, nationally and globally and the next five years will see even more change. The Governments' Growth Area proposals and plans to expand both Stansted and Luton Airports will present new challenges, but also new opportunities to grow business activity. The growth of "low cost" economies in the Far East already affect the role of the UK in the world economy and emphasise the need to develop the knowledge, skills and innovation of the UK and Hertfordshire's workforce. In order to sustain competitive advantage in this global economy, ways must be found of ensuring that all Hertfordshire's workforce have the education and skills to enable them to benefit from the county's prosperity.*

*Hertfordshire Prosperity Ltd is well placed to respond to these opportunities and challenges and will work closely with EEDA, other regional, sub-regional and local partners to ensure that the Hertfordshire economy continues to grow in a sustainable manner. In short our vision is:*

*"To create a strong vibrant economy, responsive to economic and social change, ready to grasp opportunities and offering opportunities for all."*

**Professor Tim Wilson**  
**Chairman of Hertfordshire Prosperity Ltd**  
**Vice-Chancellor of the University of Hertfordshire**  
**EEDA Board Member**

## 2. Executive Summary

Against a background of increasing global competition and changing social and economic conditions, this document sets out a strategy for economic development in Hertfordshire up to 2011. The Strategy aims to:

- Set priorities for the Hertfordshire economy and for economic development within the county so that it can grow in a sustainable manner;
- Ensure that all Hertfordshire residents, particularly those in disadvantaged communities, can reach their potential and play a full part in the local economy through education and skills development and vocational training;
- Balance new economic and other development against the acknowledged need to protect Hertfordshire's environment;
- Take advantage of forthcoming economic opportunities such as the 2012 Olympics.

The Strategy is structured around the eight goals of the Regional Economic Development Strategy. These are:

Goal 1. Skills

Goal 2. Competitiveness

Goal 3. Innovation

Goal 4. High Quality Places

Goal 5. Social Inclusion

Goal 6. Transport Gateways and Corridors

Goal 7. ICT

Goal 8. Efficient Use of Resources

Using this framework, it seeks to identify what these goals and priorities mean for Hertfordshire and develops a number of local priorities to guide economic development over the next five years. The Strategy sits alongside and complements the Economic Development and Enterprise Block of the Hertfordshire Local Area Agreement and the Hertfordshire Investing in Communities Programme and has been subject to a sustainability appraisal.

Proposals for new housing and employment development in the draft East of England Plan and for airport expansion at Stansted, Luton and Heathrow could together result in significant development in and around Hertfordshire within and beyond the life of this Strategy. While new development could offer opportunities to grow the economy and tackle existing problems such as a shortage of affordable housing, there are concerns that the amount of development proposed could adversely affect the quality of life and threaten the very factors that make Hertfordshire an attractive place to live and do business in. The Strategy therefore commits Hertfordshire Prosperity Ltd Partners to work together and with other relevant agencies to ensure that, if further development takes place, it is accompanied by appropriate infrastructure and is carried out in accordance with the principles of sustainable development.

The Strategy will be accompanied by an Action Plan to be called the Hertfordshire Investment Plan.

### 3. Introduction – Why We Need a Strategy

Hertfordshire is a generally prosperous county with a stable economy, a well-educated and entrepreneurial population and relatively few social problems. It is well placed to contribute to, and benefit from, improvements to the UK economy and from its current economic position. However this prosperity is not enjoyed by all Hertfordshire's residents and there are significant pockets of deprivation particularly in the new towns such as Stevenage and in some disadvantaged communities.

However, no economy can afford to stand still, and no organisation can afford to become complacent about success. There remains a wide range of existing issues that continue to need to be addressed and new issues that are emerging as the economy grows and society changes. This Hertfordshire Economic Development Strategy (HEDS) is about developing policies and activities that embrace those changes and helping Hertfordshire develop its full economic potential. It will deliver Hertfordshire Prosperity Ltd's vision and long term economic growth which can be sustained for future generations.

The Strategy:

- Examines the current state of the Hertfordshire economy;
- Sets out the regional perspective including the eight EEDA economic development goals within the Regional Economic Strategy;
- Takes each of these goals and associated priorities, interprets them in a Hertfordshire context and sets out local priorities;
- Describes Hertfordshire Prosperity Ltd (HP Ltd), its role and partners and how they will work towards implementing the eight regional goals through locally-focussed objectives and actions;
- Illustrates how HP Ltd sits alongside other Hertfordshire-wide partnerships and contributes to the Countywide Strategic Partnership, Hertfordshire Forward and the Hertfordshire Local Area Agreement (LAA) – a Government initiative designed to improve the delivery of public services at a local level through partnership working.

The Strategy has been informed by the work of HP Ltd's Partners and will be complemented by a Hertfordshire Investment Plan. Further information on HP Ltd, its relationship with other county-wide partnerships and membership can be found in **Appendix A**. Details of the Partnership's recent activities are set out in **Appendix B**.

### 4. This is Hertfordshire

Hertfordshire is economically successful and is rated 19<sup>th</sup> out of 53 sub-regions across the country (Local Futures). Within the county, Dacorum and Welwyn Hatfield are the largest economies and Three Rivers and Broxbourne the smallest. The county benefits from easy access to London and its well-qualified workforce generally enjoys high earnings. A large proportion of jobs are in the knowledge-driven sector and there is a healthy level of self-employment and a flourishing small business sector. The population of just over 1 million lives in a variety of settlements including large towns such as Watford (91,000), Hemel Hempstead (82,000), Stevenage (81,000) and St Albans (64,000) and a number of smaller market towns and rural villages. Two thirds of the county's land area is Green Belt. So, despite being the second most densely populated county in the country, it has, for the most part, managed to avoid many of the disadvantages of urban life.

But proximity to London has disadvantages. Congestion on road and rail links to the capital, high house prices and pressure for development threaten to imperil the easy access that underpins its prosperity. Whatever the outcome of the East of England Plan, the Regional Economic Strategy is right to point to the attention that the construction and health and social care sectors will require. London's successful bid to host the Olympic and Paralympics Games in 2012, together with an unprecedented number of current and projected major construction projects (for instance, Heathrow Terminal 5, the M1 and M25 widening) are already creating significant construction industry demands. In Hertfordshire the proposed new Watford hospital, Stevenage and Hemel Hempstead town centre redevelopments, and the rebuilding of Maylands in Hemel Hempstead will add to the pressure, as will housing and economic growth proposals within the emerging East of England Plan.

Another flip side to Hertfordshire's proximity to London is that the advantages accrue mainly to those whose skills make them more competitive. Some of the disadvantages in terms of congestion and high house prices have more effect on those with fewer qualifications. There are many people on low incomes in Hertfordshire and there are areas in the county where low skills among the adult population translate into low educational attainment and associated social problems. These also tend to be areas bereft of the advantages of the entrepreneurial culture so evident elsewhere. These divides threaten social cohesion and therefore sustainability.

The county has six major employment centres: Watford, Hemel Hempstead, Welwyn Garden City, Stevenage, Hatfield and Borehamwood. Employment in the west of the county grew fast (19.8%) between the 1991 and 2001 censuses but the latest data suggests a significant reversal (-4.0% from 2001 to 2004). By contrast employment growth in the rest of the county, which was slower between the censuses, is revealed as growing healthily (3.7%) from 2001 to 2004.

There is evidence of substantial restructuring within the economy with redundancies in Hertfordshire the highest in the region. On the other hand the high cost of living in the county makes for recruitment difficulties. These are acutely felt in the hotel/restaurant and health/social work sectors. According to Hertfordshire data from the National Employer Skills Survey 2003, over half of vacancies in these sectors were hard to fill.

Average earnings of Hertfordshire resident full-time employees (male and female) in 2005 were £38,124 per annum comparing well with an England average of £28,988. A fifth of the Hertfordshire resident workforce commutes to London and their often high earnings help explain why the average earnings for those working full-time in the county are somewhat lower, at £32,879<sup>1</sup>. But within the county, on a residence-basis, only the Stevenage average is below the national one, although the Broxbourne average is below the regional one. Raising educational attainment and skills is key to enabling people to access better paid jobs.

The 2001 Census confirmed that, compared with England as a whole, Hertfordshire residents are both much more likely to have a high level qualification and as a result, the occupational composition of the resident workforce and local jobs are biased towards the managerial and professional end of the spectrum. However in Broxbourne and Stevenage the resident population is not only much less well qualified than in the rest of the county but is less well-

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<sup>1</sup> Earnings figures (resident/workplace analysis) annual gross pay mean) from Annual Survey of Hours and Earnings for 2005 as updated on 15<sup>th</sup> December 2005 NOMS.

qualified than the rest of England. In terms of skills profile, these districts ranked 360<sup>th</sup> and 352<sup>nd</sup> out of 408 districts nationally compared to St. Albans which ranked 4<sup>th</sup> (Local Futures). This situation is in danger of perpetuating itself. In 2003, progression at 18 and 19 into Higher Education was 34.2% in Hertfordshire (compared to 28.5% in the region) while in Broxbourne and Stevenage the figures were only 24.6% and 21.9% (LAA 2005).

Generally, deprivation in Hertfordshire is low and less concentrated than in England or the region with Stevenage, Broxbourne and Watford scoring highest on the Index of Multiple Deprivation 2004. Indeed, Stevenage has the highest levels of deprivation in Hertfordshire (including the SOA with the highest Index of Multiple Deprivation score and does particularly badly in terms of the income domain).

More details of the Hertfordshire economy, taken from the Local Economy Assessment 2004, can be found in **Appendix C**.

## **5. Regional Perspective and Future Challenges**

On the face of it, Hertfordshire appears to have few challenges. This is far from the truth. In the rapidly changing world of the 21<sup>st</sup> century, past performance is no guarantee of future success. A history of inventiveness alone is not enough, especially if others are left to exploit the developments that arise from it. Hertfordshire needs to blend innovation and drive with appropriate education & training, supported by effective planning, environmental and community initiatives.

The explosion that took place at the Buncefield Oil Storage Depot in Hemel Hempstead on 11<sup>th</sup> December 2005 pointed to the fragility of the Hertfordshire economy, but also the strength of Hertfordshire's partnerships to respond very rapidly and highly effectively to the largest explosion in Europe since the Second World War. Although Hemel Hempstead still has some 80 companies and 4,000 jobs at risk, its recovery will be hastened by the collective support of Hertfordshire's economic development partners, through HP Ltd, working closely with EEDA. Further challenges will result from decisions made on local airport expansion and on housing and job growth proposed in the draft East of England Plan for Stevenage, Welwyn Garden City Hatfield and Hemel Hempstead.

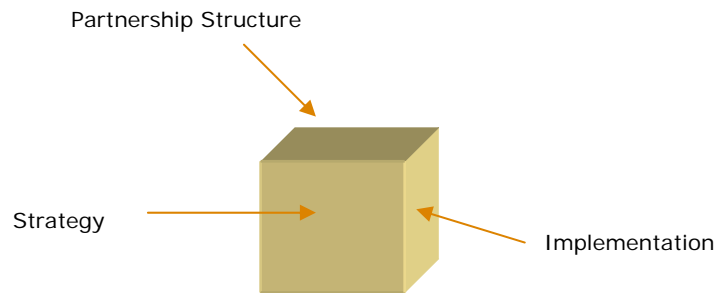
To be in a position to address these issues effectively, the economic development strategy of Hertfordshire, and the implementation of that strategy, has been closely aligned to the RES, and to EEDA's Corporate Plan. As a consequence, HP Ltd will continue to develop a model that will mark a significant step forward in the way Hertfordshire will deliver the regional agenda on EEDA's behalf, and will provide the building blocks on which to ensure that partners take and hold direct responsibility for their part of the strategy.

Under this model, HP Ltd sees economic development as three-dimensional, consisting of three essential elements:

- A clear and coherent sub-regional economic strategy closely linked to the regional economic strategy;
- An implementation plan that identifies how the strategy will be delivered at a sub-regional and local level;



- A sound and effective partnership structure that pulls together and secures delivery of the strategy and implementation elements.



There is a clear alignment between the eight goals of the RES and the sub-regional goals and priorities of the Hertfordshire Economic Development Strategy. In turn, these link across at a regional level to the new EEDA Corporate Plan, and the four products:

1. Investing in Communities
2. Business Support
3. Enterprise Hubs
4. Regional Renaissance

Linked to the HEDS, HP Ltd will develop a county-wide Hertfordshire Investment Plan. This focuses on the overall level of economic development-related investment in Hertfordshire rather than the present very narrow cross-section. The Hertfordshire Investment Plan will pull together existing business plans and encourage their replacement with new investment plans covering the four key economic development products within the sub-region.

## 6. Goals and Priorities for the Hertfordshire Economy

Adopted in November 2004, the Regional Economic Strategy, *A Shared Vision*, focuses on eight strategic goals that address the sustainable economic development of the region.

The RES goals are:

- *Goal One – A skills base that can support a world-class economy*
- *Goal Two – Growing competitiveness, productivity and entrepreneurship*
- *Goal Three – Global leadership in developing and realising innovation in science, technology and research*
- *Goal Four – High quality places to live, work and visit*
- *Goal Five – Social inclusion and broad participation in the regional economy*
- *Goal Six – Making the most from the development of international gateways and national and regional transport corridors*

- *Goal Seven – A leading information society*
- *Goal Eight – An exemplar for the efficient use of resources*

The HEDS echoes the RES by creating close alignment between the eight goals of the RES, with the aim of creating strong cohesion between the two strategies, and developing sub-regional priorities consistent with regional strategic objectives but which also reflect local issues and pressures. The intention is to have the capability of linking regional goals via sub-regional priorities and local projects. The HEDS also links into the Economic Development and Enterprise Block of the Hertfordshire Local Area Agreement under the leadership of Hertfordshire Forward, the county-wide Strategic Partnership. Further information on Hertfordshire Forward and the LAA and the outcomes and targets in the Economic Development and Enterprise Block of the LAA are given in **Appendices D and E**. The Strategy has been the subject of a Sustainability Appraisal, which tests its priorities against the principles of sustainable development using the same process as used to appraise the Regional Economic Development Strategy. Further details are given in **Appendix F**.

## **GOAL 1: A SKILLS BASE THAT CAN SUPPORT A WORLD CLASS ECONOMY**

### **(Lead: LSC Hertfordshire)**

A well qualified and highly skilled workforce is crucial to economic development. Compared to the rest of the region, and the country as a whole, Hertfordshire has low unemployment and a generally well educated and skilled workforce. However in some parts of the county and among some groups education and skills levels are low and there are multiple barriers to people entering the workforce and gaining higher level qualifications. This acts as a brake on economic development as well as preventing some people achieving their full potential. These people are more likely to claim benefits, live in poorer housing, experience health problems and be the victims of crime. It is critical therefore that children and young people get the best possible start in life and receive continued support to enable them to achieve their full potential. The work of the Hertfordshire Children and Young Peoples Strategic Partnership in delivering the five outcomes of the Every Child Matters Green Paper and the outcomes and targets of the Children and Young Peoples Block of the Local Area Agreement are also relevant here.

### **Priority 1.1 Increasing employment rates in disadvantaged communities**

Increasing employment rates is closely linked with improving educational attainment and skills levels. Research for Investing in Communities (IiC) Hertfordshire has identified significant education and skills deprivation, with particular problems in urban areas, in New Towns and within particular groups such as lone parents, those on Incapacity Benefit, people with disabilities and older workers. Such groups often have low aspirations and experience multiple barriers to increasing their skills levels and finding work. Organisations such as the Innovation @ Stevenage Group can encourage greater engagement between businesses, schools and young people to inspire students and help them attain the skills required by local employers. Rural businesses also experience difficulties accessing skills training.

<b>Local baseline</b>	<b>Our priorities</b>
<ul style="list-style-type: none"> <li>• Resident population in Stevenage and Broxbourne is less well qualified</li> </ul>	<ul style="list-style-type: none"> <li>• Increase numbers progressing into higher education across</li> </ul>

<p>than the UK average. Progression at 18 and 19 into higher education was 34.2% in Herts but only 21.9% in Stevenage and 24.6% in Broxbourne (LAA).</p> <ul style="list-style-type: none"> <li>• Low rates of progression into education or training post 16 in Welwyn Hatfield and Stevenage. Proportion of young people who are not in employment, education or training (NEET) is increasing at above trend rates in Welwyn-Hatfield.</li> <li>• Company restructuring with redundancies in Herts exceeds every other county in the region.</li> <li>• Over 28,000 people in Herts on Incapacity Benefit with higher than average % on IB (Mental Health) benefit.</li> <li>• 25,000 lone parent families on benefit represent an untapped labour source which could help meet labour and skills shortages while improving economic and social prospects.</li> <li>• Strategic Area Review (StAR) shows adult learning participation is higher in more deprived districts and wards than the Hertfordshire average.</li> </ul>	<p>Hertfordshire especially in Stevenage and Broxbourne in line with LAA target E-A10 (A&amp;B).</p> <ul style="list-style-type: none"> <li>• Reduce the variation between the proportion of young people in Welwyn Hatfield and Stevenage in education or training post 16 compared to the county average in line with LAA Targets E-A9 and E-A11.</li> <li>• Achieve LAA targets E-A12 and E-A13 (support for companies and older workers facing redundancy). Address the priorities and policy actions for "response to redundancies" outlined in East of England framework for Regional Employment and Skills Acton.</li> <li>• Achieve LAA Targets E-A1 and E-A3.</li> <li>• Achieve LAA Target E-A2. Ensure transition from unemployment/ inactivity to active employment is supported by continued learning and skills development and other appropriate support.</li> <li>• Target support through programmes such as Neighbourhood Learning in Deprived Communities (NLDC) and ESF co-financing.</li> </ul>
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### Priority 1.2 Supporting wider career choices

Whether young people make an informed choice about their future career depends to a large extent on the quality of advice they receive at school or college. Unfortunately across Hertfordshire, too many young people across all types of learning provider do not make the progress they should at post-16 level because they have not received sufficient and impartial information, advice and guidance, particularly about the vocational opportunities open to them. Participation in apprenticeships is below the national average and collaboration between schools, FE and work-based learning providers is patchy.

Local Baseline	Our priorities
<ul style="list-style-type: none"> <li>Schools careers advice often shows ignorance of non-school progression routes, particularly Apprenticeships. Not all young people receive comprehensive, impartial IAG.</li> <li>Hertfordshire has high levels of participation in learning post-16, but a small proportion following the work-based learning route.</li> <li>Increased Flexibility programme for 14-16 year olds catering for around 1,500. Enterprise through work experience being developed with employers (e.g. MBDA). Two 'Business and Enterprise' specialist schools.</li> <li>Lack of vocational learning and training for young people, particularly those following a school-based route.</li> <li>Young people in deprived communities more likely to drop out of education/training.</li> </ul>	<ul style="list-style-type: none"> <li>Work with the LEA, LSC and Connexions to implement the IAG Protocol, in line with Hertfordshire's 14-19 strategy.</li> <li>Further develop Apprenticeship provision and ensure the quality of provision is such that it attracts and retains young people.</li> <li>Develop a sustainable model for IF as part of 14-19 Strategy. Increase the number of Enterprise Centres in Hertfordshire, building on the MBDA model. Increase the number of Business and Enterprise specialist schools.</li> <li>Improve/extend the range of vocational training opportunities for young people. Ensure all young people can access Hertfordshire's 14-19 Learner Entitlement, including Specialised Diploma courses (LAA target E-A6).</li> <li>'Entry to Employment' (e2e) programmes developed to support young people facing multiple barriers to post-16 learning. Support e2e provision through additional funding (such as ESF co-financing) that enhances young people's experiences.</li> </ul>

### Priority 1.3 Developing skills that better meet business needs

25% of Hertfordshire residents are qualified at level 4 or above compared to 21% in the region and progress into Higher Education is the highest in the region. Achievement of level 2 by 19 is the highest in the country. Over the next few years, 90% of jobs in Hertfordshire are forecast to require a level 2 qualification, but less than 70% of adults hold a qualification at that level.

For Hertfordshire to be a high-skill economy and for businesses to remain competitive, skills development within the workforce must be responsive to the needs of employers both in terms of the supply and quality. This requires better links between employers and learning providers in order that courses are better linked to employer needs. Employers need to take more responsibility for training

and developing their staff and to help them gain accredited skills. There is a link here to the 'enjoying and achieving' and 'achieving economic well-being' outcomes of the Government's Green Paper, Every Child Matters, particularly around raising aspirations of young people in places such as Stevenage.

Local Baseline	Our priorities
<ul style="list-style-type: none"> <li>70% of adult education and skills provision is currently targeted at entry level/level 1 qualifications.</li> <li>Lack of employer engagement in shaping post 16 provision</li> <li>Nearly a quarter of Hertfordshire's working population have low literacy and/or numeracy skills.</li> <li>Only 50% of employers either arrange or fund training for staff, little of which leads to a recognised qualification.</li> <li>Insufficient numbers of skilled workers in a number of Hertfordshire's key sectors, including Construction, Health &amp; Social Care and Hospitality.</li> </ul>	<ul style="list-style-type: none"> <li>Increase the proportion of learning leading to nationally recognised qualifications at Level 2 and above.</li> <li>Support learning and brokerage services to employers through "Train to Gain". Increase responsiveness of schools and colleges to employer needs.</li> <li>Tackle literacy/numeracy issues through the Skills for Life Strategy. Increase the number of adults holding relevant Skills for Life qualifications.</li> <li>Use "Train to Gain" to develop a culture of learning and engage employers more effectively in the development of their current and future work forces.</li> <li>Increase the number of people undertaking training and completing qualifications in these key sectors (LAA E-A7).</li> </ul>

#### **Priority 1.4 Developing higher and further education to support the knowledge economy**

Hertfordshire has four Further Education colleges (Hertford Regional College, North Hertfordshire College, Oaklands and West Herts College) and two Higher Education establishments – The University of Hertfordshire and The Royal Veterinary College. In recent years, economic development has been based on growing the knowledge economy – an approach seen as best suited to balancing the needs of economic development with safeguarding the county's natural environment. The success of this approach is evident in the number of prestigious companies carrying out research and development functions within the county. However a shortage of higher level skills is constraining the development of the knowledge economy. Continued success depends on developing the higher and further education offer in terms of the quality of both facilities and courses. Again provision needs to be responsive to employers needs.

Local Baseline	Our priorities
<ul style="list-style-type: none"> <li>New 'state of the art' capital developments at UH (de</li> </ul>	<ul style="list-style-type: none"> <li>Work with Colleges to develop and fund capital expansion and change</li> </ul>

<p>Havilland campus) and North Hertfordshire College, Stevenage.</p> <ul style="list-style-type: none"> <li>Limited progression from vocational courses to Higher Education. Proportion of adults and young people taking up Higher Education from deprived communities is low.</li> <li>Recent improvements in success rates and quality of Further Education and Work-Based Learning need to be maintained.</li> </ul>	<p>that will better meet the needs of learners and employers. Support the estates strategies of the colleges to update their facilities to meet world-class standards.</p> <ul style="list-style-type: none"> <li>Increase range and take-up of foundation degrees, with access through FE institutions. Implement "Aim Higher" strategies, in particular encouraging young people from deprived communities to raise their aspirations.</li> <li>Improve learning provision and infrastructure to meet current and future needs of learners, employers and communities.</li> </ul>
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#### **Linked Plans and Strategies:**

Adult Strategic Action Plan 2005-2008 – LSC/HALP

Strategic Area Review (StAR) of Post-16 learning in Hertfordshire – LSC

Skills and Adult Learning in Hertfordshire-from Strategy to Implementation-LSC

Putting the Learner First – The 14-19 Strategy for Hertfordshire – LSC/CSF

Hertfordshire Local Area Agreement – 2006-2009 – Hertfordshire Forward

## **GOAL 2: GROWING COMPETITIVENESS, PRODUCTIVITY AND ENTREPRENEURSHIP**

**(Lead: Business Link Hertfordshire).**

Numerous studies have underlined the importance of dynamic and thriving SMEs within a modern economy. Hertfordshire is seen as a relatively prosperous county and generally displays a strong entrepreneurial culture. Taking VAT registrations as a proxy, over the period 1994-2004, Hertfordshire displayed the highest rate of business creation (growth of stock) of all counties outside the south east (19% compared with 14% for England). It is also common to compare the numbers of VAT-registered businesses with the over-16 population. This shows Hertfordshire to have a relatively high rate, 4.79%, and East Herts 5.5%. But there is ground to make up on several parts of the South East and including adjoining Uttlesford in Essex (6.91%). By contrast, in Stevenage the percentage, at 2.96%, is well below the England average and in Broxbourne the figure of 3.96% is below the East of England average.

There is also a link between competitiveness and productivity and developing a more sustainable economy. Exporting skills and knowledge and encouraging inward investment could contribute to reducing the transport of raw materials and finished products, as could the development of better links between local producers and local markets, particularly in terms of food and raw materials. The latter is particularly important bearing in mind the proposals in the draft East of England Plan for new housing and other development in Hertfordshire.

## Priority 2.1: Reinforcing and building upon the existing entrepreneurial culture

Enterprise can be seen as a set of skills and capabilities that enable people to start and develop business activities, whether mainstream or with social objectives. A culture of enterprise can help develop the Hertfordshire economy and weaken the links between economic uncertainty and social exclusion. It can also help develop a diverse economy less at risk of sector collapse such as that experienced by the aerospace sector in the 1990s. Developing better links between the education system and business is a key to teaching entrepreneurial skills and helping individuals realise their potential. Better careers advice can also help people make better informed decisions and for individuals who express an interest in starting a business (pre-starts), better advice and support can result in higher rates of business start-up.

While all potential entrepreneurs will experience barriers to realising their ambitions, for some groups these are particularly acute. These are reflected in lower than average levels of entrepreneurship in BME groups, women, people with disabilities and those over 50. While cultural and ethnic diversity can be a stimulus to creativity and business development, a lack of collateral (important for those in social housing), lack of information and lack of support may act as barriers to individuals wanting to pursue this option.

Small businesses also need advice and support to help sustain growth and a lack of suitable premises has been identified as a particular problem. Social enterprises can also play an important role in both the economic prosperity of the county and in addressing social exclusion and their need for advice and support also needs to be addressed.

Local Baseline	Our priorities
<ul style="list-style-type: none"> <li>• Business start-up rates in Hertfordshire are generally high but significantly lower in Stevenage and Broxbourne.</li> <li>• Social enterprise can contribute to Hertfordshire's economy and help address social exclusion.</li> <li>• Some groups traditionally do not see enterprise as an option while others experience barriers to starting a business such as lack of information and support, or lack of collateral.</li> <li>• Lack of information and support and poor links between education and business act as barriers to business start-ups.</li> </ul>	<ul style="list-style-type: none"> <li>• Increase the level of entrepreneurial, activity amongst Hertfordshire's residents in line with Sub-outcome A2 of LAA EDE block, and particularly in Stevenage and Broxbourne.</li> <li>• Support the voluntary and community sector to engage in social enterprise through Hertset and the work of organisations such as Incredit at Stevenage.</li> <li>• Work with partners to overcome barriers to enterprise for disadvantaged groups such as BMEs, over 50s, and women.</li> <li>• Promote innovation and enterprise through the education system and develop better links between schools, colleges and business.</li> </ul>

<ul style="list-style-type: none"> <li>• Evidence from research for LAA shows that a small proportion of pre-start-ups go on to establish a business.</li> <li>• Lacks of suitable premises are a barrier to business start-up and growth.</li> </ul>	<ul style="list-style-type: none"> <li>• Improve advice and support to those interested in starting a business and also to existing small businesses in line with LAA targets E-A4 and E-A5.</li> <li>• Develop clear strategies to ensure that premises issues do not become a barrier to growth (starter units, incubation facilities, grow on space and managed workspace) re-using existing buildings wherever possible.</li> </ul>
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## **Priority 2.2 Providing a coherent and integrated business support service**

For businesses to develop and grow, a wide range of integrated support services are required. These are provided by both the private and public sectors and cover such areas as signposting information, advice, mentoring, finance and possibly the provision of good quality premises on flexible terms. To encourage businesses to adopt more sustainable ways of working, such advice should include the adoption of quality management and environmental management systems.

Within Hertfordshire, key agencies have a strong track record of working in partnership to support emerging and established businesses. Support is also needed for those companies experiencing difficulties and for individuals facing redundancy (see Goal 1). Rural businesses have their own needs and advice should be provided on diversification and new product development particularly around tourism and food-based products.

<b>Local Baseline</b>	<b>Our priorities</b>
<ul style="list-style-type: none"> <li>• Hertfordshire "Response to Redundancy" service established.</li> <li>• The range of support services available can sometimes be confusing to businesses seeking both general and specialist advice.</li> <li>• Lack of suitable premises are a barrier to business start-up and continued growth.</li> </ul>	<ul style="list-style-type: none"> <li>• Link to Goal 1.</li> <li>• Work with partners to develop and deliver a well signposted and coherent business support infrastructure to include advice, mentoring and finance.</li> <li>• Investigate ways of supporting provision of "general" start-up business space (not solely enterprise space).</li> <li>• Further mapping and assessment of suitable premises is required resulting in specific plans.</li> </ul>



<ul style="list-style-type: none"> <li>• Business Link Herts provides a comprehensive support service for businesses.</li> <li>• Rural business including those involved in agricultural production need to diversify and develop new products.</li> </ul>	<ul style="list-style-type: none"> <li>• Continue to offer an on-line health check for businesses.</li> <li>• Work with partners to deliver support and advice to rural businesses.</li> </ul>
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### **Priority 2.3 Supporting the accelerated and sustainable growth, productivity and competitiveness of the region's businesses**

A notable feature of the Hertfordshire economy is the existence of a number of business clusters – concentrations of companies in related activities supported by specialist suppliers, service providers and institutions which co-operate, collaborate and compete to build a competitive advantage. Factors encouraging the development and growth of clusters include good communications infrastructure, suitable premises and importantly, proximity to universities and research institutions. Examples include biotechnology around Stevenage and in the south east of the county, ICT and computing around Watford and Hemel Hempstead, and film in south-west Herts.

Further support to emerging companies in the biotech and ICT sectors is provided by the Hertfordshire Business Incubation Centre (HBIC), the first example in the region of the delivery of one of EEDA's core products. HBIC enables large and small technology companies to learn from one another and further drive forward the sub-regional technology and knowledge base. Its success has promoted proposals for a move-on facility at the Stevenage Technology Park. HBIC is currently supporting several initiatives developed for the 2005 Galileo Masters Competition.

The proposals in the draft East of England Plan, if implemented, would result in significant new housing, infrastructure and other development in Hertfordshire with potentially adverse environmental impacts. However such impacts could be mitigated by utilising opportunities to source materials locally and to develop technologies to ensure more sustainable levels of energy and water efficiency and drainage as well as renewable energy generation. Building on the work of the Building Research Establishment (BRE) could help exploit commercial opportunities to further develop Hertfordshire's economy.

<b>Local Baseline</b>	<b>Our priorities</b>
<ul style="list-style-type: none"> <li>• Hertfordshire has many internationally recognised research centres of excellence - BRE, Institute of Arable Crop Research (IACR) Rothamsted, UH, Furniture Industry Research Association (FIRA).</li> <li>• Opportunities exist to build on existing clusters and further develop linkages between sector firms, research and academic institutions.</li> <li>• The success of HBIC shows that</li> </ul>	<ul style="list-style-type: none"> <li>• Unlock the huge potential that exists within our research and academic institutions for commercial exploitation.</li> <li>• Support the continued development and growth of Hertfordshire's business clusters.</li> <li>• Provide additional facilities for business incubation in key</li> </ul>

<p>additional business incubator facilities are required to support emerging firms in key technology sectors.</p> <ul style="list-style-type: none"> <li>• Opportunities exist for Hertfordshire firms to procure goods and services within the county so contributing to the local economy and helping to combat climate change.</li> <li>• Proposals in the draft RSS, if implemented would result in substantial housing and other development with potential adverse effects on environmental sustainability.</li> </ul>	<p>sectors and develop “virtual” support networks.</p> <ul style="list-style-type: none"> <li>• Encourage Hertfordshire businesses to procure goods and services locally.</li> <li>• Improve support for social and co-operative enterprises.</li> <li>• Ensure that opportunities to develop and exploit environmental technologies are realised and that wherever possible, construction materials and specialist expertise are sourced locally.</li> </ul>
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#### **Priority 2.4: Developing the capacity of the region to engage in global markets and improving the level and quality of foreign investment into the region**

We live in a global economy in which major companies locate where they perceive the greatest advantages to be and where investment decisions taken thousands of miles away can have a profound effect on local economies. Hertfordshire is the home of a number of major international companies providing significant employment opportunities. Their continued presence, and the attraction of further foreign investment is dependant on favourable conditions such as the presence of suitable housing, workers with the right skills and good transport links.

But as well as attracting and retaining foreign investment, it is also important to seek to diversify Hertfordshire's employment base while keeping the emphasis on knowledge- based business. This is in order to provide a balanced mix of economic activities to provide a cushion in case of global downturns as experienced by the defence industry in Hertfordshire in the 1990s. Strengthening the emphasis on exporting skills and knowledge and stimulating local markets to re-inforce the competitive advantage of local goods will also help promote more sustainable development.

<b>Local Baseline</b>	<b>Our priorities</b>
<ul style="list-style-type: none"> <li>• Hertfordshire is attractive as a location for foreign investment but needs a diversified economic base to protect it against future downturns in major sectors.</li> <li>• Major foreign firms can support the development and growth of the Hertfordshire economy but their continued presence is dependant on decisions taken in</li> </ul>	<ul style="list-style-type: none"> <li>• Support the development of a diversified economy while retaining the emphasis on knowledge-based employment.</li> <li>• Continue to work to attract further foreign investment and ensure that such companies are 'stitched' into the local economy and provided with appropriate</li> </ul>

<p>the context of global costs and benefits.</p> <ul style="list-style-type: none"> <li>• Since the mid 1990s, the Bright Green industrial strategy has promoted the development of knowledge-based employment in order to best balance economic growth and the protection of the environment.</li> </ul>	<p>business and other support.</p> <ul style="list-style-type: none"> <li>• Continue to encourage inward investment and the development of skills and knowledge-based businesses that reinforce the sustainability of the local economy through the work of East of England International and Hertfordshire Future.</li> </ul>
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### **Priority 2.5: Ensuring business development adds value and vitality to local communities**

Many businesses within the county already interact with and add value to local communities but further opportunities exist to develop better links. In their recruitment, diversity, training and procurement policies, local employers can add value to local communities and especially to those experiencing disadvantage – see Goal 1 – and encourage the development of an entrepreneurial culture. A greater level of social responsibility on the part of businesses can also help tie them into their local communities and the Hertfordshire Investing in Communities Programme is currently funding a project to champion the development of social responsibility in Hertfordshire and better link different sectors.

The development of social enterprise as a business model can also help create wealth and offer employment to those who face barriers to finding a job. Hertset, the Hertfordshire social enterprise network has developed a strategy which seeks to improve access to finance for social enterprises, improve learning opportunities, improve access to advice on business start-up and development, raise the profile of the sector and encourage the development of networks to share good practice. Better links between employers of all types and local communities particularly around local sourcing of goods and services can also help promote more sustainable patterns of development.

<b>Local Baseline</b>	<b>Our priorities</b>
<ul style="list-style-type: none"> <li>• A lack of integration between local businesses and their communities means that opportunities to revitalise and develop those communities are being missed.</li> <li>• The development of social enterprise can provide a cost-effective and inclusive way of delivering local services but</li> </ul>	<ul style="list-style-type: none"> <li>• Encourage greater corporate responsibility on the part of Hertfordshire businesses in order to add value and vitality to local communities, especially those experiencing disadvantage and to help businesses meet their Corporate Social Responsibility (CSR) targets.</li> <li>• Continue to develop the partnership between the 'business' community and the 'voluntary/social' community with a view to transferring skills, ideas and best practice.</li> <li>• Continue to promote the development of social enterprise</li> </ul>

<p>would benefit from a more business-like approach and better networking.</p> <ul style="list-style-type: none"> <li>• Opportunities exist for employers to better integrate with and support their local communities and local businesses by procuring the goods and services they need locally.</li> </ul>	<p>as a business model through Hertset, the Hertfordshire social enterprise network. (Link to Goal 5)</p> <ul style="list-style-type: none"> <li>• Encourage local procurement of goods and services to help support both local businesses and the local community.</li> </ul>
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#### **Linked Plans and Strategies:**

Investing in Communities – Championing Corporate Social responsibility

Hertset – A Social Enterprise Strategy for Hertfordshire

Hertfordshire Local Area Agreement – 2006-2009 – Hertfordshire Forward

### **GOAL 3: GLOBAL LEADERSHIP IN DEVELOPING AND REALISING INNOVATION IN SCIENCE, TECHNOLOGY AND RESEARCH**

**(Lead: University of Hertfordshire).**

Hertfordshire has a strong track record in innovation and scientific research and its location within the London/Oxford/Cambridge triangle makes it attractive to companies working in these fields. Large private sector companies –particularly those located at Stevenage such as GlaxoSmithKline, MBDA and EADS Astrium, and at other locations MSD and Roche, publicly funded institutes of international repute, the University of Hertfordshire and small/medium-sized enterprises produce a wealth of pure and applied research. Strong, innovative sectors are represented including life sciences, film and TV, defence and aerospace and a number of clusters can be identified such as film and media in south-west Herts. The latest addition to Hertfordshire's stock of R+D facilities is provided by Eisai, the Japanese pharmaceutical company which is establishing a base on the Hatfield Business Park. These developments help implement the Bright Green Industrial Strategy which seeks to develop a knowledge-based and environmentally friendly economy and which has guided economic development in Hertfordshire over the last decade.

However not enough young people within the county pursue a career in science and technology and those that do, do not necessarily stay to live and work in Hertfordshire. Similarly, the county struggles to attract sufficient numbers of well qualified researchers and more needs to be done to encourage cooperation between industry and research organisations. We also need to provide the right conditions to attract and retain the best researchers into the county.

#### **Priority 3.1: Stimulating demand for research and development and knowledge transfer amongst the regions SMEs**

After Cambridgeshire, Hertfordshire has the highest concentration of R&D related activity and the second largest stock of SMEs in the region. A Knowledge Economy Action Plan and Innovation Strategy have been developed.

The University of Hertfordshire's Innovation Centre currently hosts 15 small innovative companies which benefit from proximity to University researchers and research facilities. The recent development of BioPark Hertfordshire at Welwyn Garden City has added to the stock of incubation facilities for small and innovative biotech companies – increasingly important as the major corporations begin to outsource their R&D to smaller firms.

But a significant proportion of local businesses have little or no relationship with a university or research organisation and barriers such as intellectual property rights issues and cost prevent many small/medium size enterprises benefiting from research that is relevant to their activities. Evidence suggests that many small businesses do not recognise that exposure to current research would add to their success, suggesting that there is a deficit of clear and targeted information for these organisations.

Local Baseline	Our priorities
<ul style="list-style-type: none"> <li>• SMEs face barriers to accessing appropriate research and development activity and linking with universities/research organisations.</li> <li>• Opportunities exist to link the new bioscience incubator – BioPark Hertfordshire - established in Welwyn Garden City to regional and London based research organisations.</li> <li>• For the Hertfordshire economy to remain competitive and innovative, it needs to recognise and exploit emerging technologies in both established and developing sectors.</li> <li>• Research and development is key to sustaining and growing the knowledge economy but Hertfordshire faces strong competition from other part of the UK and Europe and needs to build on its current strengths.</li> </ul>	<ul style="list-style-type: none"> <li>• Promote and build on the success of large R&amp;D companies, particularly those at Stevenage and develop links with SMEs.</li> <li>• Develop a communications campaign to draw in firms with no prior engagement with the research community.</li> <li>• Extend use of new IPR facility.</li> <li>• Link BioPark Hertfordshire to regional and London-based research organisations and evaluate the success of BioPark Herts after 12 month period. If appropriate, seek to replicate the initiative at other key sites.</li> <li>• Establish a Hertfordshire Technology Strategy Board which horizon scans for exploitable technologies of the future and links to National Technology Strategy Board.</li> <li>• Develop a Hertfordshire-wide research network which: connects the active research agencies within the county; provides access to information about research contacts regionally, nationally and internationally; and promotes the transfer of knowledge.</li> </ul>

### **Priority 3.2: Ensuring strong links between regional universities, research institutes and the private sector**

A significant amount of research and development is carried out in research institutes, at the University of Hertfordshire and in facilities in London and adjoining counties, but better links are needed with local businesses to develop ideas into marketable products. To assist this process, the University of Hertfordshire's business services function has merged with Business Link Hertfordshire to enable local businesses to benefit from research and consultancy services and to enable students to develop closer links with business. The Hertfordshire Business Innovation Centre (HBIC), located in Stevenage can also help by acting as a focus for networking activities for innovation, science and technology. Finally, the Film and Digital Media Exchange (based at the University of Hertfordshire) provides film and media resources for Universities and colleges in the East of England.

Local Baseline	Our priorities
<ul style="list-style-type: none"> <li>• University Knowledge Transfer Partnership programme, Science and Technical Research Centre and Automotive Engineering Centre.</li> <li>• Opportunities exist to better link into regionally significant R&amp;D facilities in adjoining sub-regions.</li> </ul>	<ul style="list-style-type: none"> <li>• Work with University and SMEs to build stronger and new forms of links between academia and industry and develop commercial and business spin-off activity. The links developed will cross traditional discipline boundaries such as engineering, business and creative and cultural industries.</li> <li>• Develop relationships with key neighbouring R&amp;D facilities such as at Cranfield University, Innova Science and Business Park (Enfield) and Colworth Science Park near Bedford.</li> <li>• Develop R&amp;D networks between BRE (Watford) and academic and commercial organisations in the county.</li> <li>• Expand and develop the existing Enterprise Hub at Stevenage and develop an additional hub.</li> <li>• Promote links with University of London, University College London and Imperial College.</li> </ul>

### **Priority 3.3: Maintaining and building upon the quality of research establishments in the (sub)-region**

Hertfordshire contains a number of high quality research establishments which offer opportunities for further collaboration and the transfer of technology to private sector companies. The University is a key driver of research and development and has aspirations to develop an under-graduate medical school in partnership with an existing medical school and in association with a new 'super hospital' at Hatfield. Other key facilities include Rothamsted Research and the Building Research Establishment which is at the forefront of the development of sustainable building technologies and is the only facility in Hertfordshire that has the characteristics of a science park.

Alongside the need to develop existing research and development facilities is the need to encourage young people to embrace science and technology as a career and take steps to attract and retain talented individuals to ensure a continued supply of high quality researchers. In so doing, local employers, FE Colleges and other organisations could develop initiatives to promote careers in science and technology within the county.

Local Baseline	Our priorities
<ul style="list-style-type: none"> <li>• Insufficient young people taking up science and technology as a career.</li> <li>• Hertfordshire lacks a science park.</li> <li>• Establishment of 'Sector Champions' at the University to link priority sectors with research community.</li> <li>• Significant skills gaps for highly specialised R&amp;D functions.</li> </ul>	<ul style="list-style-type: none"> <li>• Encourage young people to embrace science and technology as a career, use high profile role models in communications campaign and take steps to attract and retain talented individuals to ensure a continued supply of high quality researchers.</li> <li>• Local employers, FE Colleges and other organisations to develop initiatives to promote careers in science and technology within the county.</li> <li>• Raise profile of BRE and reposition its research facility as a science park in collaboration with regional partners.</li> <li>• Promote the development of the Spencers Park Key Employment Site for specialised technological uses.</li> <li>• Develop a targeted marketing and promotional campaign to attract key research based companies to Hertfordshire.</li> <li>• Support University proposals to develop an under-graduate medical school associated with a new hospital at Hatfield.</li> </ul>

### **Priority 3.4: Facilitating international partnerships that enable knowledge transfer and collaboration on R&D**

Within Hertfordshire there are already a number of international companies with globally significant R&D functions such as GSK at Stevenage. The planned location of the Eisai plant to Hatfield will strengthen R&D activity in the county.

Opportunities to benefit from linking different but potentially complementary strands of research are currently underexploited. This applies to local, national and international research and across differing disciplinary areas. The recent publication of the Cox Review of Creativity in Business illustrates the potential economic benefits of linking complementary research across the creative and business sectors and this warrants further exploration at county level.

Local Baseline	Our priorities
<ul style="list-style-type: none"> <li>• Opportunities exist to attract major international R&amp;D companies and develop collaborative ventures and knowledge transfer to strengthen the local economic base</li> <li>• Opportunities are available for Hertfordshire companies to access European funding for R&amp;D activities</li> </ul>	<ul style="list-style-type: none"> <li>• Continue to work with partners to attract major international companies active in R&amp;D and develop opportunities to link research activities and facilitate knowledge transfer and collaboration</li> <li>• Develop a hardwired network of incubator/innovator centres.</li> <li>• Facilitate and support Hertfordshire businesses to apply for research and development grants from UK and European sources including Framework 7.</li> </ul>

### **Priority 3.5: Making full use of the research assets and global reputation of Cambridge to achieve benefits for the (sub) region**

Hertfordshire lies within the Oxford/Cambridge/London 'golden triangle' for knowledge activities but Cambridge is not currently considered a major contributor to the Hertfordshire knowledge economy. However the recommendations of the Panel reporting on the draft East of England Plan include improving the competitive position of Stevenage and capitalising on its position between London and Cambridge. Unlike Cambridgeshire, Hertfordshire has no focal point to assist promotion/branding.

Proximity to London is however of greater importance and has led to recent investment in specialist areas of activity – such as the stem cell research unit at South Mimms – that require access to a broad range of research expertise and facilities. The lower operating costs which Hertfordshire can offer are a particular attraction for such organisations.

Local baseline	Our priorities
<ul style="list-style-type: none"> <li>• Proximity to, and direct road and rail services to London and Cambridge provide opportunities to attract innovative research-based organisations but links are currently underdeveloped.</li> </ul>	<ul style="list-style-type: none"> <li>• Promote the benefits of Hertfordshire's location within the 'golden triangle' as a prime location for R&amp;D activities.</li> <li>• Work to consolidate key R&amp;D assets to provide a 'research identity' for the promotion of Hertfordshire.</li> <li>• Improve the competitive position of Stevenage and capitalise on its location between London and Cambridge.</li> </ul>

#### **Linked Plans and Strategies:**

Cox Review of Creativity in Business

Bright Green – An industrial strategy for Hertfordshire – 1994

Hertfordshire Knowledge Economy Action Plan – Angle Technology 2004



## **GOAL 4: High Quality places to live, work and visit (Lead: Hertfordshire County Council).**

Maintaining Hertfordshire's reputation as an attractive place to live, work and visit is key to ensuring continued economic success allied with a high quality of life for local residents. The county's future prosperity depends upon balancing new development against preserving the environment. This is the basis of the "Bright Green" Industrial Strategy which sees the development of a knowledge based-economy as offering the best prospects for successfully achieving this balance.

Despite a decade of success, this balance is fragile and if the proposals in the Panel Report into the East of England Plan (incorporating regional elements of the Government's Sustainable Communities Plan) are carried forward into the final plan, then significant housing, employment and other development could take place in Hertfordshire up to 2021. The Panel has identified Hemel Hempstead, Welwyn Garden City and Hatfield and Stevenage as "Key centres for development and change" to accommodate new housing and employment and assist regeneration of the existing towns. Accommodating this scale of development in a sustainable manner will pose real challenges for Hertfordshire.

At the same time, there is a continuing need to increase the supply of affordable housing, regenerate local communities, town centres and employment areas, make the best use of cultural assets and grasp the opportunities for tourism and economic development presented by the 2012 Olympics.

### **Priority 4.1: Ensuring a suitable supply of homes to support economic growth**

The availability of housing of the right price, in the right location and of an appropriate tenure is key to supporting a healthy local economy. Average income in Hertfordshire in 2003/4 was £28,333, well above the national average of £22,098 with the highest levels in Three Rivers and St. Albans and the lowest in Broxbourne and Stevenage. This translates into high average house prices with St. Albans and Three Rivers having some of the highest prices in the county (£321, 574 and £318, 876 respectively). In marked contrast, Stevenage is the only district with an average below £200,000.

These high prices make it difficult for those on lower incomes to gain a property foothold in the county. Issues of affordability can impact on the ability of employers to recruit key workers in both the public and private sectors, with knock-on effects on business efficiency, economic growth and public service delivery. At the other end of the scale, shortages of executive housing in particular areas such as Stevenage can also impact on the ability of employers to attract skilled staff to contribute to the knowledge economy and discourage unsustainable commuting patterns.

The Panel Report into the East of England Plan proposes that 83,200 new houses are built in Hertfordshire up to 2021, distributed as follows:

<b>Hertfordshire</b>	<b>83,200</b>
Broxbourne	5,600
Dacorum	12,000

East Hertfordshire	12,000
Hertsmere	5,000
North Hertfordshire	7,800
St.Albans	7,200
Stevenage	14,400
Three Rivers	4,000
Watford	5,200
Welwyn Hatfield	10,000

together with an additional 77,000 jobs (63,000, in Three Rivers, Watford, Hertsmere, Broxbourne, Dacorum, St Albans, Welwyn Hatfield and 14,000 North Herts, Stevenage and East Herts).

Local baseline	Our priorities
<ul style="list-style-type: none"> <li>• Shortage of housing generally and affordable and key worker housing in particular, impacts on the ability of both public and private sectors to attract and retain staff with knock-on effects on business efficiency, economic growth and public service delivery.</li> <li>• Lack of affordable housing in rural communities limits choice for local people, mitigates against the development of balanced communities and can contribute to social exclusion.</li> <li>• Panel report into the draft East of England Plan proposes 83,200 additional dwellings and 77,000 additional jobs in Hertfordshire to 2021.</li> </ul>	<ul style="list-style-type: none"> <li>• Working through the planning process, encourage the provision of good quality affordable and key worker dwellings for those on low incomes and work with local authorities, LSPs and private and public sector organisations to identify and develop new partnership structures to bring forward housing land in appropriate locations.</li> <li>• Working with and through the Hertfordshire Rural Forum, support initiatives to deliver more affordable housing in rural areas.</li> <li>• Subject to the content of the final Plan, work with EEDA, the Regional Assembly and other partners to ensure a sustainable balance between jobs and housing in the county.</li> </ul>

#### **Priority 4.2: Ensuring the provision of social and transport infrastructure**

The availability of good quality health, education, transport and other local services is important in attracting and retaining footloose business and investment and in contributing to sustainable development. Within Hertfordshire, the level of provision in these areas is generally good but in some parts of the county, particularly in rural areas, accessing services is more difficult and this can contribute to social exclusion.

Proximity to London has a major influence on the county's economy, with approximately 25% of residents commuting to the capital to work. This proximity also contributes to traffic congestion on routes to and from the capital and east-west across Hertfordshire. Public transport with the towns is generally good but

the scattered settlement pattern and radial road network make it difficult to provide a comprehensive public transport service in rural areas.

While proposals in the Draft East of England Plan may offer opportunities to grow the economy of Hertfordshire, there is concern that new housing and employment development without appropriate transport and other infrastructure could adversely affect quality of life and moves towards more sustainable patterns of development.

Local baseline	Our priorities
<ul style="list-style-type: none"> <li>• Traffic levels in Hertfordshire are 35% above the national average. Traffic congestion is cited as a major concern by those living and working in the county and adversely impacts on business.</li> <li>• Proposals in the Draft East of England Plan for significant housing and other development without appropriate new infrastructure could adversely effect the attractiveness to Hertfordshire as a location for investment and the quality of life of existing residents</li> <li>• Poor accessibility to services for those living in rural areas.</li> </ul>	<ul style="list-style-type: none"> <li>• Work with partners to promote and encourage more sustainable forms of transport.</li> <li>• Work with partners to implement target areas within Outcome B of the LAA – Ability to travel more freely.</li> <li>• Work with EEDA and the East of England Regional Assembly to ensure that existing infrastructure deficits are overcome and that any new economic and housing development in the county is accompanied by appropriate new facilities.</li> <li>• Seek to influence the emerging debate around possible mechanisms for financing the delivery of social and transport infrastructure to accompany new development.</li> <li>• Work with partners to deliver Accessibility Planning as part of the Local Transport Plan (LTP) to address issues of access to services for those without a car.</li> </ul>

#### **Priority 4.3: Ensuring a high quality supply of business land and premises**

As noted in 4.1 above, a key objective of economic policy in Hertfordshire must be to ensure that any new housing development is accompanied by new employment opportunities. This means that a suitable supply of quality employment land must be available for a range of activities, and in appropriate locations, recognising the needs of different sectors and clusters and contributing to the development of the knowledge economy.

It is also important that the best use is made of existing employment land and that where appropriate, partnerships are formed to secure their regeneration and redevelopment to better meet modern needs. Good examples are the Gunnels Wood Partnership, formed to regenerate this important employment area in Stevenage and the partnership formed to regenerate the Maylands industrial

estate in Hemel Hempstead, affected by the December 2005 Buncefield explosion.

Another priority for economic policy in Hertfordshire is to support the rural economy by developing employment opportunities in rural villages with the aim of retaining the traditional employment/housing mix and helping to combat social exclusion.

Within Hertfordshire, six key employment sites have been identified where coordinated action is required to resolve access and other infrastructure problems. These key sites are:

Essex Road, Hoddesdon  
 Park Plaza, Waltham Cross  
 Leavesden Park  
 Hatfield Aerodrome  
 Spencers Park, Hemel Hempstead (priority will be given to specialised technological activities)

The Panel Report into the East of England Plan proposes that Stevenage and Hemel Hempstead be identified as regionally strategic employment locations at which regionally strategic employment sites will be provided and that Hertfordshire has potential for other regionally strategic sites but without identifying locations. Their locations will be determined through Local Development Frameworks produced by Local Authorities following public consultation.

Local Baseline	Our priorities
<ul style="list-style-type: none"> <li>• The December 2005 Buncefield oil terminal explosion affected Maylands, one of Hertfordshire's largest employment areas.</li> <li>• 6 Key Employment sites currently exist in Hertfordshire. Additional sites are proposed in the draft East of England Plan to meet regional economic goals.</li> <li>• Some existing employment sites are in need of regeneration to provide the better quality premises and business environments needed to attract knowledge sector businesses.</li> </ul>	<ul style="list-style-type: none"> <li>• Work with EEDA and other partners to support all firms affected by the Buncefield oil terminal disaster and contribute to plans for longer term economic recovery of the area.</li> <li>• Work with EEDA, the Regional Assembly and local planning authorities to better understand local economies and where appropriate, identify the spread of economic activity across the county, appropriate new strategic and other employment sites to deliver economic growth and balance new housing provision through the Sustainable Communities Plan.</li> <li>• Support the Gunnels Wood Initiative and other similar proposals to improve the quality and attractiveness of existing employment areas.</li> </ul>

#### **Priority 4.4: Developing and enhancing green spaces and infrastructure to support economic growth**

High quality green spaces and infrastructure play an important part in attracting and retaining economic development and investment, particularly in terms of the knowledge economy and contributing to social and economic regeneration. Hertfordshire's high quality environment is key to the continuing success of its economy but the balance is fragile and needs to be carefully managed to ensure that the county remains an attractive place to live, work or visit. New development, whether for employment or housing needs to be carefully designed to mitigate its impact on the natural environment and to ensure it contributes to sustainable development. Opportunities also exist to regenerate existing employment areas to provide attractive green spaces that enhance the settings of buildings and provide new facilities for staff. The proposals by the Gunnels Wood Partnership to develop pocket parks and small open spaces needs to be replicated elsewhere.

Changes in agricultural practices and the effects of global warming could result in changes to the landscape of Hertfordshire and offer opportunities for environmental improvement, new employment linked to renewable energy and improved access.

<b>Local baseline</b>	<b>Our priorities</b>
<ul style="list-style-type: none"><li>• Proposals for new housing and economic development in the draft East of England Plan could contribute to economic prosperity but could also threaten Hertfordshire's high quality environment.</li><li>• Some existing employment areas need regenerating to make them attractive locations for knowledge-based employment.</li></ul>	<ul style="list-style-type: none"><li>• Work with EERA, local authorities and other agencies to ensure high quality new development that enhances the natural environment and contributes to sustainable development.</li><li>• Work with partners to regenerate existing employment areas to provide more attractive environments incorporating green spaces and infrastructure.</li><li>• Continue to support the Gunnels Wood Initiative and its proposals to develop pocket parks.</li></ul>

#### **Priority 4.5: Developing culture, heritage and leisure assets for residents and visitors**

The range of cultural, heritage and leisure facilities available in Hertfordshire make a significant contribution to the image of the county, its economy and the quality of life of local residents. Culture and tourism are major contributors to the Hertfordshire economy, contributing £1.04 billion in 2002. Culture, heritage and leisure also support vibrant communities, add value socially and environmentally, affect important life choices such as where people choose to live and can

contribute to health and well-being. Care must be taken however to ensure that a focus on tourism does not result in low paid, seasonal employment.

Communities in Hertfordshire currently enjoy a varied cultural life set against a background of a rich and varied historical and natural environment. Museums, stately homes, and galleries offer opportunities for learning and the natural environment offers opportunities for outdoor leisure such as walking, cycling and horse riding. Diversification in the rural economy can contribute both to tourism and the development of more sustainable rural communities and the success of the film industry in south-west Herts owes much to the variety of locations available within the county. The 2012 Olympics offers further opportunities to promote Hertfordshire's assets and contribute to the local economy.

The continued development of Hertfordshire's cultural, heritage and leisure assets is therefore a key element in growing the local economy and ensuring sustainable communities.

Local Baseline	Our priorities
<ul style="list-style-type: none"> <li>• Culture, leisure and tourism are significant contributor to the local economy.</li> <li>• Decision to host the 2012 Olympics in London offers major opportunities to benefit the Hertfordshire economy.</li> <li>• Green Heart Partnership, established to promote the themes of arts and the environment, will use £390,000 local investment to lever in £570,000 match funding.</li> </ul>	<ul style="list-style-type: none"> <li>• Support the development of heritage, leisure and cultural attractions to help develop the local economy, provide employment and combat social exclusion.</li> <li>• Work with other partners and the 2012 organisers to maximise the economic benefits to Hertfordshire through tourism and job creation.</li> <li>• Implement the Green Heart business plan and deliver projects to benefit environmental sustainability, urban and rural renaissance and social cohesion.</li> </ul>

#### **Priority 4.6: Ensuring renaissance and regeneration of Hertfordshire's communities**

Hertfordshire is made up of a number of communities – of place and of interest. This is reflected in two distinct but linked types of renaissance and regeneration – of people in terms of their skills and the opportunities they have to influence decisions that affect them – and of the physical places where they live.

These links are developed within the Safer and Stronger Communities block of the Local Area Agreement which seeks to involve local communities in the development and management of quality open spaces with the aim of increasing cleanliness and perceptions of public safety. Outcome C of this block seeks to deliver *“Communities that are empowered to have a greater voice and influence in local decision-making and the delivery of services, and there is an increasing sense of belonging and citizenship”* Other programmes emphasising community capacity building are the Herts Rural Social and Community Programme which seeks to build the capacity of Parish and Town Councils and Investing in Communities which has Community, Capacity and Partnership development as one of its priorities.

The renaissance and regeneration of communities needs to take place alongside that of places. Within Hertfordshire, a number of town centres, particularly those in the New Towns of Hemel Hempstead, Stevenage and Hatfield and employment areas such as Gunners Wood are in need of physical regeneration and a number of schemes such as Stevenage Town centre are currently being developed. Reference has already been made to the proposals for new housing and employment development in the draft East of England Plan and together these offer opportunities to raise awareness of the importance of sustainable development in design, planning and construction and contribute to the creation of more sustainable communities.

Local Baseline	Our priorities
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<ul style="list-style-type: none"> <li>• Draft Regional Spatial Strategy proposes 83,200 new dwellings and 77,000 new jobs in Hertfordshire to 2021.</li> <li>• Many of Hertfordshire's town centres and employment areas, particularly within the New Towns of Hemel Hempstead, Stevenage and Hatfield, are in need of significant investment and regeneration.</li> <li>• Opportunities exist to build the capacity of Hertfordshire's communities and encourage local residents to play a greater part in decision-making.</li> </ul>	<ul style="list-style-type: none"> <li>• Work with partners and local authorities to ensure that new development embraces the principles of sustainable development in terms of design, construction, site layout and access to key services by a choice of transport modes.</li> <li>• Promote the Hertfordshire Sustainable Development Guide, Building Futures, to developers and identify and promote examples of good practice (Link Goal 8).</li> <li>• Contribute to the regeneration of the county's town centres in terms of improved physical environments, retail offer, cultural provision, residential mix and transport improvements.</li> <li>• Work with partners to deliver LAA Safer and Stronger Communities Block Outcomes B and C and particularly targets S-C9.1 to -9.4 and S-C10.1 and 2.</li> </ul>
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#### Linked Plans and Strategies:

Hertfordshire Local Area Agreement – 2006-2009 – Hertfordshire Forward  
Investing in Communities Hertfordshire – Business Plan  
Hertfordshire Rural, Social and Community Programme  
Enjoy – A Cultural Strategy for Hertfordshire  
East of England Plan December 2004 and Panel Report, June 2006

### **GOAL 5: SOCIAL INCLUSION AND BROAD PARTICIPATION IN THE (REGIONAL) LOCAL ECONOMY: (Lead: Hertfordshire County Council).**

Social exclusion is a shorthand term for what can happen when people or areas suffer from a combination of linked problems such as unemployment, poor skills, low incomes, poor housing, high crime environments, bad health, poverty and family breakdown. It wastes the potential of individuals and can adversely affect quality of life and economic development. While primarily about income, it is also about prospects, networks and life-chances. Hertfordshire has a buoyant economy and its benefits should be available to everyone. Promoting social inclusion and valuing diversity should therefore be a prime objective of economic policy.



Because of its complex and multi-faceted nature, social exclusion needs to be tackled on a number of fronts and by a range of organisations working together to deal with both the symptoms and the underlying causes. Regenerating communities needs to take place alongside regenerating places, both of which contribute to a successful economy and a more inclusive society.

A key to tackling social exclusion is the Hertfordshire Investing in Communities Programme (IiC), one of EEDA's 'core products'. IiC is a major investment programme, focussed on community regeneration through tackling deprivation and inequality. This seeks to help people and communities suffering disadvantage and deprivation gain skills and become more economically active so leading to a better standard of living for themselves and their families. The IiC programme involves a number of organisations and agencies from the public and voluntary/community sectors and links into all 5 priorities within this Goal as well as into Goals 1 and 2. Some of the current IiC activity has linkages to the LAA and this joint investment is helping towards the achievement of some of the LAA stretch targets. The IiC programme is currently working on strengthening the alignment of IiC and LAA.

### **Priority 5.1 Supporting those who are disadvantaged to achieve their potential.**

As already discussed in Goal 1, individuals who lack a good education and basic skills face barriers to obtaining employment and may find themselves in low paid jobs with little prospect of improvement. This also applies to those adults with learning or other disabilities and to their carers who may have given up employment to look after a relative. Accessible local learning for disadvantaged groups was identified as a need during the Investing in Communities research and needs analysis phase in 2004-05. A key to reducing inequalities and helping people achieve their full potential is to enable them to improve their job prospects by promoting learning opportunities, work and life skills. In the wider community, building social capital, equipping people with the skills and confidence to play a part in the running of their communities perhaps through volunteering, is also important in not only in helping them realise their potential but also in widening social networks and developing community leadership.

Local Baseline	Our priorities
<p>IiC Strategic Priority:</p> <ul style="list-style-type: none"> <li>• 1. Education and Skills Development – seeks to improve learning provision for target areas/groups and raise aspirations and capacity through personal development;</li> <li>• 2 – Economic and Business Development- has identified significant pockets of employment deprivation across the county;</li> <li>• 3. Community, Capacity and Partnership Development seeks to develop social capital.</li> <li>• Some individuals and groups in Hertfordshire (such as carers) face barriers to achieving their</li> </ul>	<ul style="list-style-type: none"> <li>• Continue to develop and implement the IiC programme for Hertfordshire and commission further research on the drivers of income deprivation.</li> <li>• Work with partners and organisations such as HCC Work Solutions and the</li> </ul>

<p>full potential such as lack of appropriate skills, information, poor housing, health and high crime environments.</p> <ul style="list-style-type: none"> <li>• Opportunities exist to build the capacity of Hertfordshire's communities and encourage local residents to play a greater part in decision-making.</li> <li>• Government policy seeks an increased role for the VCS, higher levels of volunteering and promotion of community leadership.</li> <li>• Research carried out for a bid to DEFRA identified the need to increase capacity building in rural communities.</li> </ul>	<p>Stevenage Social Inclusion Forum to overcome barriers, reduce inequalities and promote social inclusion through improved access to quality jobs, better learning and skills development, better information and accessibility and affordable childcare (Link Goal 1) and support to employers.</p> <ul style="list-style-type: none"> <li>• Work with partners to deliver LAA Safer and Stronger Communities Block Outcomes B and C and particularly targets S-C9.1 to -9.4 and S-C10.1 and 2.</li> <li>• Promote and support the VCS through the work of the Professional Development Centre to build skills and capacity and seek additional resources to develop training and development programmes.</li> <li>• Work with partners, employers and other organisations such as Millennium Volunteers to increase volunteering opportunities for all age groups.</li> <li>• Work with partners to deliver the DEFRA Rural and Social Community Programme in Hertfordshire.</li> </ul>
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## **Priority 5.2 Supporting disadvantaged communities and groups to access sustainable employment opportunities**

While skills development is often the most effective way to tackle poverty, it is often necessary to provide additional support to enable people in disadvantaged communities to access local employment opportunities. This might take the form of affordable childcare, better transport or person-centred support such as that provided by In2Work, Incredit or mentoring as provided by the Stevenage Education Business Partnership. Social enterprise, trading activity to meet social or environmental needs, can also provide employment opportunities for people in disadvantaged groups such as those with disabilities. A good example is the "Splinters" furniture recycling enterprise run by the St. Elizabeth's Centre in Much Hadham.

Local Baseline	Our priorities
<ul style="list-style-type: none"> <li>• There is a need to provide holistic and tailored support to people in disadvantaged communities to enable them to find suitable jobs.</li> <li>• Social enterprise can contribute to Hertfordshire's economy and help address social exclusion.</li> <li>• Opportunities exist to share learning and skills between established and growing businesses particularly those in the third sector to the benefits of individuals and the wider economy.</li> </ul>	<ul style="list-style-type: none"> <li>• Promote access to work for under-represented groups through employment and other initiatives (such as affordable childcare and transport), working in partnership with employers in the public, private and voluntary/social sectors (Link Goal 1).</li> <li>• Continue to support and promote the sector through Hertset with the aim of developing its services and maximising external funding opportunities.</li> <li>• Support mentoring, in particular between social enterprises and the wider business community and develop protocols to support this (Link Goal 2).</li> </ul>

### Priority 5.3: Improving prospects for better quality employment

In addition to providing people with the skills and support to enter employment, it is also important to ensure that such employment is sustainable in the sense of offering good quality working conditions to support their development and meet their wider needs. Traditionally, those at the lower end of the labour market often work in less favourable conditions and receive less support and training from their employers. Employers need to be persuaded that investing in their staff provides economic benefits and that adopting more sustainable working practices can give them a competitive advantage. Social enterprise also has a role to play, as do public sector organisations when letting contracts for service delivery.

Local Baseline	Our priorities
<ul style="list-style-type: none"> <li>• Those in low paid jobs often receive little training and have poorer working benefits and benefits than those in higher paid employment.</li> <li>• Public sector procurement of goods and services offers significant opportunities to influence and improve the employment practices of suppliers.</li> </ul>	<ul style="list-style-type: none"> <li>• Engage with employers to promote the business benefits of better working conditions and training for staff through Investors in People and ISO14001 accreditation.</li> <li>• Explore and develop approaches to the development of contract criteria in the public sector that maximise the social benefits of procurement, employment and other corporate policies through</li> </ul>

<ul style="list-style-type: none"> <li>• Social enterprises have an important role to play in providing sustainable employment and delivering public services.</li> </ul>	<p>encouragement and promoting good practice with partners.</p> <ul style="list-style-type: none"> <li>• Continue to support and promote Hertset and explore opportunities and identify potential pilot project(s) where a social enterprise approach could provide improved access to and delivery of public services.</li> <li>• Work with partners to deliver LAA target E-A8 – increase the key public services delivered by the VCS and social enterprise organisations.</li> </ul>
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#### **Priority 5.4: Promoting improved access to essential services**

Another key to tackling social exclusion and achieving a more inclusive society is to ensure that essential services are available to meet the needs of everyone regardless of where they live, their age or personal circumstances. Communities experiencing disadvantage in the jobs market often live in poorer housing, may lack private transport to access learning or leisure opportunities or live in areas where crime or the fear of crime is prevalent. There are also particular problems in rural areas for those without access to transport or seeking reasonably priced housing. If the significant development proposed in the draft East of England Plan takes place, then a further challenge will be to ensure that appropriate infrastructure is provided ahead of or in parallel with new housing and jobs and that the services available to existing communities are safeguarded and enhanced.

Within Hertfordshire, the VCS has a strong track record of providing services to groups and individuals with particular needs and can respond more quickly and flexibly than statutory organisations. Through the Hertfordshire Compact, there is a history of close partnership working with public sector partners and a recent Value and Volume study has shown the economic value of the sector to the Hertfordshire economy.

<b>Local Baseline</b>	<b>Our priorities</b>
<ul style="list-style-type: none"> <li>• The range of public services received by some local communities, particularly those in rural areas, often compares unfavourably with those available in urban areas.</li> <li>• The VCS has an important part to play in delivering services to ensure a more inclusive society but needs support and development to realise its full potential.</li> </ul>	<ul style="list-style-type: none"> <li>• Work with partners to develop innovative ways of delivering essential services to disadvantaged communities.</li> <li>• Strengthen infrastructure support for the VCS through the continuation and development of the Hertfordshire Infrastructure Consortium Investment Plan.</li> </ul>

<ul style="list-style-type: none"> <li>The significant amounts of new development proposed in the draft East of England Plan, unless accompanied by appropriate infrastructure, could result in lower quality services for existing residents.</li> </ul>	<ul style="list-style-type: none"> <li>Work with EEDA and the East of England Regional Assembly to ensure that existing infrastructure deficits are overcome and that new economic and housing development in the county is accompanied by appropriate new facilities (Link to Goal 4).</li> </ul>
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### **Priority 5.5 Tackling discrimination experienced by communities or individuals**

Working towards a more inclusive society and a more sustainable economy means ensuring that economic and other opportunities are available to all regardless of their race, background, age, gender, disability, orientation or religion. Large provincial cities have already demonstrated that diversity is good for business and the economy of Hertfordshire should also build on and value the strengths of its diverse communities. This requires positive action from organisations in the public, private and voluntary sectors.

<b>Local baseline</b>	<b>Our priorities</b>
<ul style="list-style-type: none"> <li>The IiC Business Plan needs analysis identified a need for better coordination and strategic planning by a countywide consortium for black and minority ethnic (BME) communities, and support for the work undertaken in consultation with BME groups by umbrella organisations. It also highlighted the need for development work to consolidate the functions of these groups and resource their contributions more securely. Change up funding has supported the consortium with a development worker and a report on the needs was produced in summer 2006.</li> <li>The Herts IiC Programme is currently leading on the Equality and Diversity agenda in the region. An Equality &amp; Diversity Action group has been formed whose main objective is to embed further equality and diversity across the IiC programme.</li> </ul>	<ul style="list-style-type: none"> <li>Support further developments to enhance the representation, support and advocacy for black and minority ethnic communities through the Herts Infrastructure Investment Consortium.</li> </ul>

Linked Plans and Strategies:

Hertset – A Social Enterprise Strategy for Hertfordshire

Investing in Communities Business Plan

Hertfordshire Local Area Agreement

Regional Social Strategy

Hertfordshire Infrastructure Consortium Investment Plan

## **GOAL 6: MAKING THE MOST FROM THE DEVELOPMENT OF INTERNATIONAL GATEWAYS AND NATIONAL AND REGIONAL TRANSPORT CORRIDORS**

**(Lead: Hertfordshire County Council).**

Hertfordshire's economy is based on services and distribution rather than manufacturing and efficient links to the outside world are therefore vital to foster the economy and encourage growth. The county's economy benefits from proximity to London and via its nearby airports, radial motorways and rail routes, to the rest of the country, Europe and beyond. However proposals for airport expansion are not universally supported and congestion on Hertfordshire's roads and overcrowding particularly on rail links to London threaten to undermine the county's prosperity and mitigate possible benefits from the 2012 Olympics.

Proposals in the draft East of England Plan to increase housing and jobs at various locations in the county could, if carried out in a sustainable manner, offer opportunities to grow the economy. But uncertainty surrounds the availability of supporting infrastructure, particularly transport, to overcome existing deficits and provide for new development.

More needs to be done to consider the environmental impacts of transport choices, reduce CO2 emissions by reducing the number of journeys and encouraging a shift towards more sustainable forms of transport. Shifting the emphasis towards planning for accessibility can help disadvantaged communities access jobs, learning and recreation opportunities and contribute towards a fairer society.

### **Priority 6.1 Taking advantage of the opportunities for sustainable airport expansion in the region**

While Hertfordshire is well placed to take advantage of existing airports at Stansted, Luton and Heathrow, proposals for their expansion have more to do with national rather than local priorities. Nevertheless for Hertfordshire businesses, they provide gateways to Europe and beyond and more locally, opportunities to grow the economy encourage business development and tourism and support regeneration. While the Government's Aviation White Paper promotes the expansion of Stansted and Luton, it should be recognised that airport expansion and its associated development is not wholeheartedly supported by all Hertfordshire Prosperity partners due to differing perceptions of the benefits and environmental effects particularly congestion, aircraft noise, environmental impacts and urban development.

There are also issues around the inadequacy of surface transport links, particularly to Stansted, and the resulting impacts on traffic congestion. Stansted Airport has set up a partnership including Hertfordshire County Council, along with Essex County Council, the Highways Agency and rail companies to respond to strategic issues arising from airport expansion and can adopt a proactive approach towards encouraging better transport links and more sustainable forms of access to the airport. The present transport needs are set out in the Stansted Airport Surface Access Strategy prepared by this partnership.

Local Baseline	Our priorities
<ul style="list-style-type: none"> <li>• RES 2004 supports Government's expansion proposals for Stansted and Luton while draft RSS, produced by EERA only supports maximum use of the existing single runways at both locations. Amongst Hertfordshire Prosperity Partners, there is no consensus on the benefits and environmental costs of airport expansion.</li> <li>• While significant numbers of passengers access local airports by public transport, local road access is congested.</li> <li>• Airport development can bring regeneration benefits to deprived communities.</li> </ul>	<ul style="list-style-type: none"> <li>• Seek to maximise job growth, tourism and other business opportunities associated with any expansion of airports adjoining Hertfordshire while minimising adverse environmental and quality of life impacts.</li> <li>• Improved east-west transport links along the A120 corridor.</li> <li>• Work with partners including Essex County Council, the Highways Agency and rail companies to respond to strategic planning issues raised by further airport expansion and secure improvements in surface access in tandem with any airport capacity expansion and in accordance with a sustainable transport hierarchy.</li> <li>• Support projects/programmes which link airport expansion to local regeneration priorities.</li> </ul>

## Priority 6.2. Making the most of our gateways to the sea

While this priority is not directly relevant to Hertfordshire, improvements to the county's road and particularly rail infrastructure in accordance with a sustainable transport hierarchy will assist in meeting this regional priority, overcoming historic deficits and encouraging new business development.

Local Baseline	Our priorities
<p>7. Congestion on east-west routes through Hertfordshire imposes costs on businesses and adverse environmental effects on local communities</p>	<ul style="list-style-type: none"> <li>• Support the improvement of strategic road and rail network with particular emphasis on east-west routes including the A120 from A10 to Stansted Airport</li> <li>• Support initiatives designed to increase the percentage of freight carried by rail including promoting the better use of existing facilities</li> <li>• Support the upgrade of the rail network in the East of England that will allow freight trains to be routed away from North London.</li> </ul>

### **Priority 6.3 Promoting the delivery of (strategic) road, rail and other public transport priorities for the (sub) region**

Hertfordshire has the highest population density of any shire county and acts as a major transport corridor into London. The rail network provides for commuting to London but only limited provision for other movements and as a result, traffic levels in the county are 35% higher than the national average. This leads to congestion and delay, particularly during peak hours. East-west road and public transport links are inadequate and passengers travelling to Stansted and Luton add to the load. Historically traffic growth has not been matched by improvements in transport infrastructure and there are major deficits to be addressed. Proposals for new housing and employment development in the draft East of England Plan could, if implemented, exacerbate existing deficits unless accompanied by appropriate transport and other infrastructure.

Reducing congestion by investment in the road, rail and passenger transport network is therefore a key sub-regional priority, alongside measures to reduce the demand for travel. Improving reliability of journey times is important to businesses and future work within the Hertfordshire Local Area Agreement will develop targets around improving the reliability and punctuality of timetabled journeys (Economic Development and Enterprise Block, Outcome B). Town centre regeneration schemes, such as that currently being developed at Stevenage, offer opportunities to deliver improved transport interchanges, to improve access to local facilities and encourage economic development and more sustainable forms of travel.

<b>Local Baseline</b>	<b>Our priorities</b>
<ul style="list-style-type: none"> <li>• Traffic congestion is a major threat to Hertfordshire's economy and major infrastructure improvements are needed to address historic deficits.</li> <li>• East-west road and public transport links across the county and to Stansted Airport are inadequate.</li> <li>• Proposals for new housing and employment development in the Draft RSS could exacerbate</li> </ul>	<ul style="list-style-type: none"> <li>• Work with partners to lobby regional agencies and central government to secure major transport infrastructure investment including: <ul style="list-style-type: none"> <li>- upgrade of east coast and West Anglia main lines</li> <li>-Improvements to the A1M between junctions 6 and 8</li> <li>- M25 widening in Hertfordshire</li> <li>-Croxley Rail Link.</li> </ul> </li> <li>• Develop targets to improve reliability and punctuality of timetabled journeys within LAA EDE Block B.</li> <li>• Improved east-west public transport links, including the A120 corridor, an A414 – M11 link around Harlow and improved rail access to Stansted Airport from Hertfordshire Stations.</li> <li>• Work with regional agencies and central government to ensure that existing deficits are</li> </ul>



<p>existing problems unless accompanied by the provision of appropriate new transport infrastructure.</p> <ul style="list-style-type: none"> <li>• Town centre regeneration schemes offer opportunities to deliver improved public transport interchanges, improving accessibility, and encouraging economic development and more sustainable forms of travel.</li> </ul>	<p>addressed and that any new development in Hertfordshire is accompanied by appropriate transport infrastructure.</p> <ul style="list-style-type: none"> <li>• Support town centre regeneration schemes where they offer improved public transport interchanges which aid connectivity between different modes of travel.</li> </ul>
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#### **Priority 6.4 Ensuring that transport solutions serve economic development in a sustainable manner**

A vibrant local economy depends on good transport infrastructure to facilitate movement of people and goods. But transport is a major contributor to global warming and climate change being responsible for between a quarter and one third of all Co2 emissions. Solutions to Hertfordshire's transport problems need therefore to focus on reducing the need to travel, especially by car, while increasing the opportunities for other less environmentally damaging modes of travel. Progress here would help meet the objective of reducing the use of natural resources within Goal 8.

The main avenue for achieving this is the County Council's Local Transport Plan which aims to make travel in Hertfordshire safer and to encourage a shift towards more sustainable forms of travel such as public transport, cycling and walking. It also focuses on improving accessibility to services, learning and jobs, especially for those living in rural areas, those with mobility difficulties, on lower incomes or those without the use of a car, so helping to address social exclusion within Hertfordshire's more disadvantaged communities.

When planning new development, linking homes and jobs and meeting a variety of housing needs locally will help reduce the need to travel, and support a number of other objectives within this strategy. Initiatives such as that within the Gunnels Wood employment area at Stevenage demonstrate how local businesses can take the initiative in promoting measures to reduce private car use and encourage alternative more sustainable modes of travel.

<b>Local Baseline</b>	<b>Our priorities</b>
<ul style="list-style-type: none"> <li>• The Herts Integrated Transport Project established to meet the needs of travellers unable to use a car.</li> <li>• Transport is a major contributor to climate change with journeys by private car and the tonnage of freight carried by road increasing year on year. Effective measures are required</li> </ul>	<ul style="list-style-type: none"> <li>• Support initiatives in the Hertfordshire Local Transport Plan to reduce the need to travel and improve accessibility for disadvantaged groups, those in rural areas and those without a car.</li> <li>• Support the increased take up of business travelwise and Green Travel Plans.</li> <li>• Ensure that new economic</li> </ul>

to reduce the need to travel, particularly on longer journeys, support more sustainable transport choices and improve accessibility for those without the use of a car.	<p>development is located close to a range of housing types and tenures to reduce the need to travel and encourage cycling and walking.</p> <ul style="list-style-type: none"> <li>• Support business initiatives that encourage employers and employees to adopt more sustainable transport choices and working practices such as tele-working, car share schemes and local purchasing of goods and services.</li> </ul>
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### **Priority 6.5 Understanding and addressing the importance of transport links with London**

Hertfordshire's proximity to London confers a variety of economic benefits on the county but there are also a number of drawbacks. A fifth of Hertfordshire's workforce commutes to London and makes a significant contribution to the capital's economy. But the road and rail links to the capital are already overloaded and congestion threatens to undermine the easy access which underpins Hertfordshire's prosperity.

The decision to hold the 2012 Olympics in London will have many positive benefits for Hertfordshire such as jobs for local residents in construction and tourism and every effort needs to be made to spread the economic benefits to the county by encouraging tourists to stay in Hertfordshire and/or visit local attractions. Reliable transport links to London are key to success.

The Draft East of England Plan seeks to accommodate some of London's expected growth in Hertfordshire but uncertainty remains over the provision of infrastructure (especially transport) needed to support it.

<b>Local Baseline</b>	<b>Our priorities</b>
<ul style="list-style-type: none"> <li>• The economies of London and Hertfordshire are inter-dependant – Local (Hertfordshire) commuters contribute significantly to the London economy but existing road and rail links to London are overloaded.</li> <li>• The 2012 Olympics offers opportunities to boost the economy of the county.</li> </ul>	<ul style="list-style-type: none"> <li>• Work with transport providers and other agencies to safeguard and improve transport links to and within London and continue to support the Crossrail and Thameslink projects.</li> <li>• Ensure London's rail infrastructure and services properly address the needs of Hertfordshire's commuters and businesses. Support the Croyley Rail Link.</li> <li>• Ensure that proposals for 2012 Olympics impact positively on the economy of Hertfordshire and lobby Government, and Transport for London to ensure</li> </ul>

<ul style="list-style-type: none"> <li>Proposals for new housing and employment development in the Draft RSS could, if implemented, exacerbate existing problems unless accompanied by the provision of appropriate new transport infrastructure.</li> <li>Opportunities exist to encourage commuters to access railway stations by more sustainable forms of transport such as cycling or local bus thereby contributing to reducing congestion and CO2 emissions.</li> </ul>	<p>that appropriate transport infrastructure is provided (Link Goal 4).</p> <ul style="list-style-type: none"> <li>Work with regional agencies and central government to ensure that existing deficits are addressed and that any new development in Hertfordshire is accompanied by appropriate transport infrastructure (Link to Goal 6).</li> <li>Support proposals in Hertfordshire's Local Transport Plan to encourage greater use of sustainable transport modes such as walking, cycling and public transport to access railway stations.</li> </ul>
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Linked Plans and Strategies:

Hertfordshire Local Transport Plan 2006/7-20010/11

Hertfordshire Local Area Agreement – Hertfordshire Forward 2006

East of England Plan December 2004 and Panel Report, June 2006

Stansted Airport Surface Access Strategy 2004

## **GOAL 7: A LEADING INFORMATION SOCIETY. (Lead Business Link Hertfordshire).**

The use of ICT by businesses is a major driver of local, regional and national economies. Recent ICT developments have been in the use of Broadband as an enabling technology but ICT continues to evolve and there is a need to identify and exploit the next generation of ICT in order for the Hertfordshire economy to remain competitive.

In general, smaller businesses are less likely to make use of ICT than larger organisations but the importance of SMEs to the local economy (See Goal 1) suggests that there is a need to encourage better take-up.

There is a need to look ahead at emerging technologies such as WiFi which could encourage and facilitate more flexible working. It is also important to ensure that those in rural areas and deprived communities are not disadvantaged by new technologies that are focussed on urban areas.

There is also a need to increase the number of businesses trading on-line and to better exploit the advantages of e-learning to benefit those who experience difficulties in accessing local colleges. Encouraging e-learning and the development of ICT skills can also help develop the skills base of Hertfordshire residents and help to tackle social exclusion.

### **Priority 7.1 Promoting the use of network based technologies among businesses, organisations and individuals**

Across all business sectors, there is a need to better understand how the benefits of ICT can be captured to increase productivity and bring about more innovative working practices. Large organisations are more likely to understand how to exploit the benefits of ICT so particular attention needs to be paid to the needs of SMEs and organisations in the public and voluntary sectors.

Local Baseline	Our Priorities
<ul style="list-style-type: none"> <li>Marketing material produced by UK on line on benefits of Broadband available and used in the campaign by Specialist Advisers to help customers understand the benefits of Broadband.</li> <li>31% of Herts businesses are trading on line compared with 27% in the region and 31% UK.</li> <li>As part of the Investing in Communities bid, effective adoption of ICT was identified as one of the five key areas to address in the capacity building of the voluntary sector.</li> <li>The public sector has targets to procure goods and services on line. But this needs to be communicated to the existing and potential supply chain.</li> </ul>	<ul style="list-style-type: none"> <li>Continue to develop appropriate marketing material and use this in a campaign to encourage understanding of the use and benefits of Broadband or other relevant solutions.</li> <li>Continue to provide a service embracing latest technologies and practices to develop competitive businesses using e-commerce, targeted particularly at sectors likely to enjoy the greatest benefit or those at risk.</li> <li>Develop support and access to a range of cost effective solutions to support capacity building in the voluntary sector.</li> <li>Raise awareness and provide support to enable suppliers to the public and voluntary sectors to become "e-ready".</li> <li>Encourage development of e-market places and e-procurement.</li> <li>Increase basic knowledge of IT and IT supplies to SMEs to help identify the business benefits of such services.</li> </ul>

### **Priority 7.2 Ensure that the capacity and coverage of our data communications infrastructure keeps pace with the needs of a knowledge economy**

All but one of the telephone exchanges in Hertfordshire have been Broadband-enabled and while broadband is currently capable of meeting the majority of needs for high speed capacity of data transfer, demand for bandwidth is likely to continue to increase over the next decade. There is therefore a need to identify and plan for the delivery of the next generation of broadband.

Elsewhere within the region, Norwich is piloting a free wi-fi project which enables users to link to the internet anywhere within the city-centre area. This initiative is

seen as providing benefits for local businesses, public sector workers (who do not need to return to their offices to download data) as well as students. There is also the possibility of linking to mobile CCTV systems. While wi-fi links are available in some commercial premises within Hertfordshire, it is not available over a comparable area but at least one registered social landlord is known to be considering providing wi-fi access to tenants in its social housing schemes. There are also opportunities to influence housing developers to include wi-fi access in new developments.

Local Baseline	Our Priorities
<ul style="list-style-type: none"> <li>• In Herts, of those businesses using internet based technologies, 70% use high-speed Broadband compared with 62% in the Region as a whole and 63% UK. (1) However, the type and quality of broadband technologies are variable.</li> <li>• Opportunities exist to encourage the provision of wireless networks in public and private areas and in new housing developments.</li> </ul>	<ul style="list-style-type: none"> <li>• Encourage the use of broadband and emerging technologies. Where appropriate link this to the EEDA Broadband initiative.</li> <li>• Work with partners to encourage the provision of wireless networks in public and private areas to support economic development and e-learning and public service delivery.</li> </ul>

### Priority 7.3 Improving the skills and ability of people to make effective use of ICT

The need for Hertfordshire's residents to obtain the skills to meet the needs of a knowledge-based economy has been discussed under Goal 1 with particular emphasis on those in disadvantaged communities. Such skills include the ability to benefit fully from the opportunities that ICT offers.

Local Baseline	Our Priorities
<ul style="list-style-type: none"> <li>• 10% of employers cite lack of skills in their workforce as a barrier to the take up of ICT.</li> <li>• Access to standard IT applications training, through Learn Direct and commercial service providers is generally good. However, it is not currently widely available in a format that reflects business tasks or functions and there are no direct effective linkages with the newly developed IT NVQ. Access to training is also restricted for to hard to reach groups.</li> </ul>	<ul style="list-style-type: none"> <li>• Continue to provide standard IT applications training, but in addition, develop alternative IT training solutions based upon business functions, linked to NVQs and available remotely with on line assessment.</li> <li>• Continue to provide E learning support, but identify gaps where sector base tailoring or targeting at hard to reach groups would be beneficial and develop solutions to encourage greater take-up.</li> </ul>

## **Priority 7.4 Supporting growth in the supply of network based technologies and the development of digital content**

The growth in the use of ICT will directly benefit those companies already involved in supplying these services and this growth will be driven by demand from businesses and organisations which transmit data in digital form over data networks. The Regional Economic Strategy identifies a number of economic sectors which could benefit including film and media which is well represented in the south-west of the County. There are also links here to the development of wireless networks in public places and new housing developments referred to in Priority 7.3 above. However ICT technology is developing rapidly and it is not clear at this stage what will follow wireless networks.

<b>Local Baseline</b>	<b>Our Priorities</b>
<ul style="list-style-type: none"><li>• EMMA established at a Regional level to focus on the needs of ICT companies in the Region. Some local activity has taken place.</li></ul>	<ul style="list-style-type: none"><li>• Further strengthen a sector focus on the needs of ICT companies in Hertfordshire to help them grow and fulfil their potential.</li><li>• Work to overcome the mismatch between supply of and demand for IT services among businesses</li><li>• Commission research into next generation communications technologies and their take-up in Hertfordshire.</li></ul>

Linked Plans and Strategies:

Hertfordshire Investing in Communities Business Plan

## **GOAL 8: AN EXEMPLAR IN ENVIRONMENTAL TECHNOLOGIES AND THE EFFICIENT USE OF RESOURCES (Lead Hertfordshire County Council)**

Increased awareness of major global environmental issues such as climate change, diminishing natural resources and the importance of ethical business practices, is putting increased pressure on businesses to adapt in order to maintain competitiveness and thrive in the long term. This brings with it opportunities to streamline processes through reduced consumption of water, energy, and raw materials in order to save costs and avoid waste, and improve procurement practices. Many such improvements happily lead to bottom line increases in the long-term, but many companies need support to make the initial changes and realise the benefits longer term which can include increased competitiveness through improved corporate image, helping to meet investor and customer demand for improved sustainability and attracting good employees.

### **Priority 8.1 Promoting the adoption of resource efficiency and environmental good practice principles**

The recent regional Climate Change study for the East of England (Living with Climate Change in the East of England 2003) outlines that the major impact on Hertfordshire will be increased pressure on water supply. In addition to the need to adapt to changing resources and climate change impacts, all sectors of society need to work hard now in order to mitigate the causes of climate change to use all resources more efficiently, particularly water, and adopt environmental good practice. All sectors need to address their energy consumption, and business can

play a huge part in this through building use, processes and transport efficiencies, whilst also gaining bottom line efficiencies. This applies particularly to the construction sector which is the largest single contributor to landfill and which needs to be at the forefront of efforts to improve resource efficiency having regard to likely future developments planned for the sub-region.

Local Baseline	Our priorities
<ul style="list-style-type: none"> <li>• Herts Resource Efficiency Club – Business Link Herts, in partnership with Linden Consulting (Essex based environmental consultants) have won BREW funding from Envirowise to run a one-year resource efficiency project targeting 50 Herts companies.</li> <li>• Employers for the Environment (E4E) is a business-based group, partly funded by the European Regional Development Fund, created to assist SMEs to adopt more environmentally friendly practices. Activities include the Hertfordshire Materials Exchange which extends resource efficiency by extending the useful life of materials and creating a network of secondary users.</li> </ul>	<ul style="list-style-type: none"> <li>• To build upon existing sources of information used by businesses to signpost practical information and case studies highlighting good practices – e.g. around sustainable procurement, energy efficiency, waste reduction, staff awareness campaigns.</li> <li>• Encourage small businesses to take up support and help offered by Local Energy Efficiency Advice Centres or organisations such as E4E.</li> <li>• Work with Three Valleys Water, Anglia Water and the Environment Agency to develop the capacity of industry to respond to the need for water efficiency in the county.</li> <li>• Target key employment and other major employment sites to increase environmental efficiency of businesses e.g. to increasing the number of Hertfordshire businesses with EMS/EMAS accreditation, green travel plans, energy champions.</li> <li>• To raise the awareness of existing programmes designed to support businesses in improving their resource efficiency and environmental good practice.</li> <li>• Encourage existing and new employment development to take up the principles of sustainable design, construction and use as set out in the Hertfordshire Sustainable Development Guide 'Building</li> </ul>

## Priority 8.2 Capturing the advantages of renewable energy potential in the region

The priority here is to capture the advantages of renewables but within the overall global objective of reducing emissions, particularly CO<sub>2</sub> and against a background of rising energy costs and uncertainty over future supplies. Within Hertfordshire, renewable energy from wind power, biofuels and underground heat sources offer opportunities to contribute to reducing fossil fuel use and carbon emissions. The Renewable Energy Systems (RES) Headquarters in Kings Langley demonstrates how renewable energy sources including wind power can be harnessed and while further large turbines may not command universal support, there are likely to be a number of locations where small scale and domestic installations are acceptable. Changes in the rural economy and diversification can encourage the production of grown fuels such as willow enabling new developments, such as that proposed at Bishops Stortford Goods Yard, to incorporate CHP plants burning wood-based products.

Local Baseline	Our priorities
<ul style="list-style-type: none"> <li>• The Hertfordshire Renewable Energy Study has been completed identifying the realistic potential for RE development in the County. There is also a planning document which outlines the role of planning authorities in RE development in Herts.</li> <li>• Hertfordshire Sustainable School – Howe Dell School, currently under construction, will incorporate renewable energy, recycled materials, natural ventilation and lighting, water management and sustainable construction.</li> </ul>	<ul style="list-style-type: none"> <li>• To raise awareness of the viability of RE in Hertfordshire and ensure the planning system is set up to encourage the development of appropriate RE development. (Any development needs to happen alongside major increases in energy efficiency).</li> <li>• Learn lessons from best practice sites such as RES System HQ and Howe Dell School to apply to business premises especially on key employment sites.</li> <li>• Encourage high energy-efficiency standards and renewable generation in major public building projects.</li> <li>• Provide support for installation capacity for micro-renewable – e.g. training for installers and awareness raising for property owners/businesses.</li> <li>• Work with new business set ups/inward investors/developers to consider installing district heating schemes or CHP.</li> </ul>



### Priority 8.3 Progressing the development of environmental goods and services businesses

Hertfordshire has a cluster of environmental goods and services (EGS) businesses centred around St Albans (50 companies), Hemel Hempstead (32) and Watford (26) (ref. 2003 figs – [www.ecodirectory.org](http://www.ecodirectory.org)). The county is also home to bodies of national importance in both environmental and business expertise such as the Building Research Establishment, the University of Hertfordshire, and Ashridge Management College. Hertfordshire also houses some excellent sustainability showcases such as the headquarters of RES Systems, a renewable energy developer. There is a real opportunity for encouraging inward investment from EGS companies to take advantage of existing networks and efficiencies and to set up systems to effectively share knowledge in order to support existing and new businesses in the county to gain from increased environmental efficiencies. This was recognised in the “Green Business Opportunity” study commissioned by Bedfordshire and Hertfordshire County Councils and the (then) two Training and Enterprise Councils.

Complimenting this priority are the environmental and economic advantages of local procurement of goods, particularly agricultural products.

Local Baseline	Our priorities
<ul style="list-style-type: none"> <li>EGS Major centres in St. Albans (50 companies), Hemel Hempstead (32) and Watford (26). <a href="http://www.ecodirectory.org">www.ecodirectory.org</a></li> <li>An Environmental Management Course for business managers has been established at the University of Herts.</li> <li>Build upon existing Environmental Award schemes e.g. Beds and Herts EA to encourage local businesses to share best practice.</li> <li>Procuring goods such as agricultural products locally can support local economies and contribute to reducing CO2 emissions.</li> </ul>	<p>8. To build upon Hertfordshire's profile as a centre of excellence in environmental businesses and on the existing cluster of EGS companies - inward investment and adaptation of existing company practices.</p> <ul style="list-style-type: none"> <li>Work with the University Herts and local companies to increase links with University and training for Environmental Managers.</li> <li>Develop new business practices and innovation e.g. business groups to work with Essex/London remade to stimulate new markets for recycling in Hertfordshire and raise awareness of new materials.</li> <li>Support the local procurement of agricultural and other products to support the local economy and reduce CO2 emissions.</li> </ul>

### Priority 8.4 Establishing the region as an exemplar of environmentally sustainable development

Nationally, there is a gap between the policy language of sustainability and the day to day business within the economy. There is a need for improved

communication and access to information via existing sources used by business to clarify the messages and encourage understanding of the triple bottom line – improving environmental performance, being socially responsible and improving profits. The planning system has a major role to play here in influencing the design of major building projects to incorporate high energy efficiency and renewable generation.

<b>Local Baseline</b>	<b>Our priorities</b>
<ul style="list-style-type: none"> <li>• Share findings of Climate Change Study for Hertfordshire with business audience.</li> <li>• Eco-Footprint for Hertfordshire has been completed – useful tool in illustrating sustainability concept.</li> <li>• The eleven Hertfordshire local authorities are in the process of producing a sustainable development guide for the county: Building Futures – A Hertfordshire Guide to Promoting Sustainability in Development. The document aims to provide practical, technical advice on all aspects of sustainable design and construction that relate to a specific site. It will guide development control officers to inform decision making, direct developers to innovate sustainability solutions and serve as an educational tool for members.</li> </ul>	<ul style="list-style-type: none"> <li>• Support businesses to develop climate change strategy and emissions inventory.</li> <li>• Use Eco Footprint to develop consistent messages about triple bottom line and support businesses in making changes to their ways of working to improve profits, competitiveness and environmental impacts.</li> <li>• Encourage new businesses/moving businesses and housing developers to consider energy efficiency and environ exemplar design in their buildings using the Building Research Establishment's BREEAM assessment tool and the Eco-homes standard.</li> <li>• Work with partners to promote and apply the Hertfordshire Sustainability Guide to encourage higher environmental standards in new development and promote demonstration projects such as those currently being promoted by the LSP in East Hertfordshire.</li> </ul>

Linked Plans and strategies:

Building Futures – A Hertfordshire Guide to Promoting Sustainability 2006  
 Living with Climate Change in the East of England  
 Hertfordshire Renewable Energy Study

## 7. Delivering the Strategy and Measuring Progress

HP Ltd is a purely strategic organisation that does not carry out any delivery of projects and activities, although it does manage the delivery of a number of sub-regional programmes (for instance, the Investing in Communities programme). Instead, all projects are delivered by partners or, in the rare case of lack of capacity, by outside contractors.

This strategy will be delivered through the annual Hertfordshire Economic Development Business Plan that will set out the priorities, projects and activities for each year. These will be drawn up initially by the staff of HP Ltd, consulted

upon with partners and stakeholders, and the final Business Plan agreed by the HP Ltd Board.

Progress against the strategy will be measured in two ways:

1. Measuring the state of the Hertfordshire economy – this will be through the Local Economy Assessment, the annual analysis of the Hertfordshire economy and other relevant indicators that help track progress on delivering on the eight goals and priorities within the Strategy.
2. Assessing progress against outcome and output targets – these will be a combination of Government PSA and local performance indicators and progress on delivering on the relevant Hertfordshire LAA targets.

Progress will be reported through an Annual Report, a public document available widely, and through regular reports to the HP Ltd Board.

## **APPENDICES**

## **APPENDIX A**

### **Hertfordshire Prosperity Ltd. and Hertfordshire Partnerships**

Hertfordshire Prosperity Limited (HP Ltd) is fundamental to embracing this change. HP Ltd is the sub-regional economic partnership for Hertfordshire – the economic development umbrella group for the county with membership drawn from those organisations with a stake in the county's future.

The Hertfordshire Prosperity Forum was set up in 1995 at the 2<sup>nd</sup> Partnership for Prosperity Conference and has only recently become a company limited by guarantee. It was originally formed to meet the demise of the defence and aerospace industries, and ameliorate the impact on the local economy. It has been reviewed and reorganised a number of times since then to reflect changes in the economy and the evolving relationship between partners.

HP Ltd's role is to:

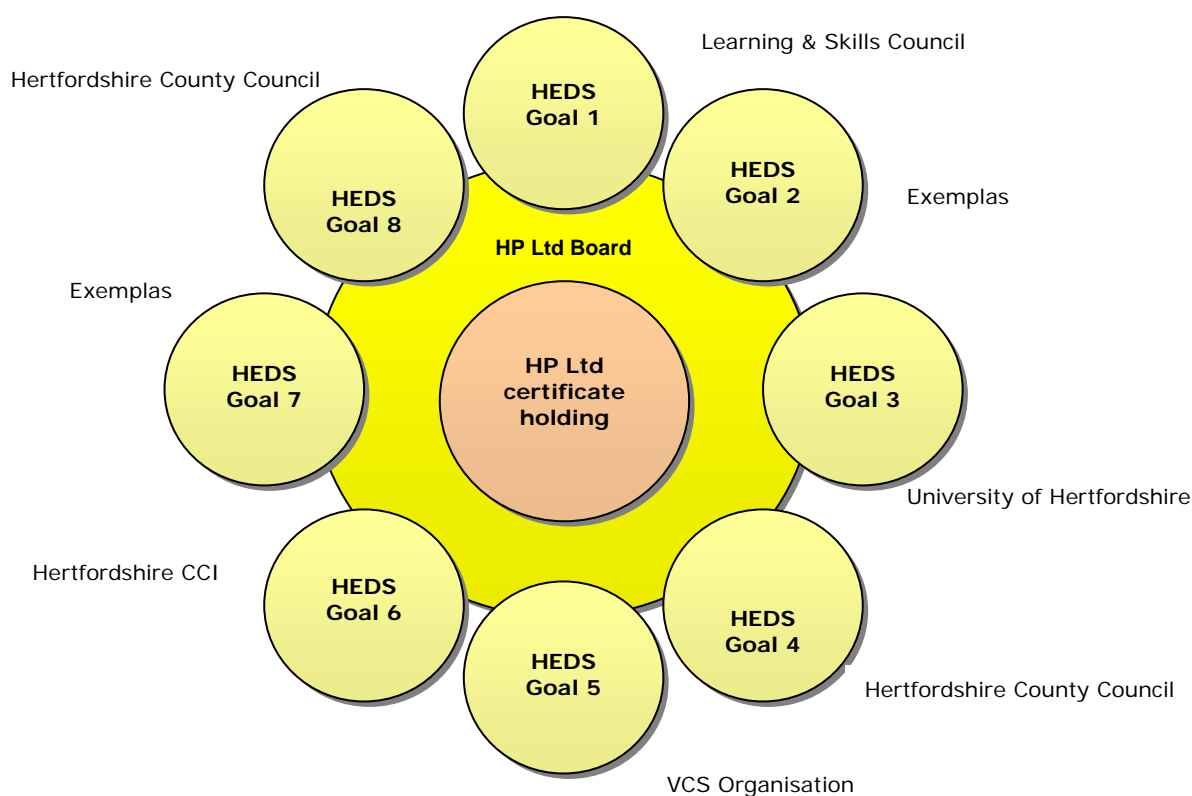
- Provide representation & leadership to encourage growth of the Hertfordshire economy
- Encourage cohesion between partners
- Lobby on regional and sub-regional issues
- Develop and ensure delivery of the Hertfordshire economic development strategy
- Develop new programmes
- Manage the delivery of existing programmes

The HP Ltd Board meets quarterly and consists of:

- Connexions
- District Councils representative

- East of England Development Agency
- Exemplas Ltd
- Job Centre Plus
- Learning & Skills Council Hertfordshire
- Hertfordshire Careers Services Ltd
- Hertfordshire Chamber of Commerce & Industry
- Hertfordshire County Council
- University of Hertfordshire
- Voluntary & community sector representative

In order to ensure a close alignment between the Regional Economic Strategy (RES) and the HEDS, HP Ltd has been designed so that each partner organisation is responsible for monitoring delivery of each of the eight strategic goals. This is illustrated in the diagram below:



## **Hertfordshire Partnerships**

HP Ltd is one of the four major strategic partnerships in Hertfordshire:

- HP Ltd – responsible for economic development
- Healthy Communities and Older Peoples Executive Group – responsible for health issues
- Community Safety Partnership - responsible for community safety and crime prevention
- Hertfordshire Children's Trust Partnership – responsible for children & young people's issues

## APPENDIX B

### Activities delivered by Hertfordshire Prosperity Ltd Partners during 2005/06

#### Hertfordshire:

- Responding rapidly to the Buncefield explosion – working with partners to alleviate business problems, identify
- Facilitated Memorandum of Understanding between EEDA and Building Research Establishment
- Secured £14.4m of EEDA capital funding secured during 2005/06 on projects such as:
  - Axis Point in Hemel Hempstead – conversion of commercial premises into start-up workshops
  - Hertfordshire Business Incubation Centre – creation of grow-on space for new businesses
  - Regional Wet Lab – acquisition and conversion of high quality accommodation to provide a world leading wet lab incubator
  - Watford Health Campus – funding to assist in the development of a detailed planning application for a major health campus
- Practical support for the development of 'enterprise hubs' for bio-pharmaceutical, construction & the built environment, aerospace, and film & media sectors
- Development of 'Investing in Communities' – a substantial new social inclusion programme for Hertfordshire of £6.95m over three years (£1.4m interim funding identified for 2006/07)
- Incorporation of Hertfordshire Prosperity into a company limited by guarantee
- Supporting and facilitating development of the former Hatfield Airfield as the Hatfield Business park
- Development of the new Hertfordshire Economic Development Strategy 2005-2010
- Launching Hertfordshire Forward – the new countywide Strategic Partnership
- Facilitating the construction of a bridge across the railway at Broxbourne to open up a key employment site
- Developing the Economic Development and Enterprise block of the Hertfordshire Local Area Agreement (LAA)
- Achieving a gold award for local compact policy development in 2005
- Establishment of Hertfordshire Forward strategic partnership
- Development of Communications Strategy, plus the HPLtd web portal and HP Source quarterly newsletter
- Managing the Hertfordshire Core and Non-Core Programme – £175,000 of revenue funding invested in projects such as:
  - ERainbow – improving opportunities for black & minority ethnic entrepreneurs to access quality business support (*in conjunction with Business Link*)
  - Film Champion – employing a film and media expert to promote film in this Hertfordshire (*in conjunction with Screen East*)
  - 4BEX – providing specialist training for micro and small businesses (*in conjunction with Dacorum Council*)
  - Hertfordshire Future – providing an inward investment, investor development and commercial property service for Hertfordshire (*in conjunction with East of England International*)
  - Local Economy Assessment – carrying out an annual assessment of the state of the Hertfordshire economy
  - Retail support – providing information, advice and guidance to small retailers operating from neighbourhood shopping parades (*in conjunction with WENTA*)
  - South-West Hertfordshire Economic Development Officer – employing an economic development expert to represent south-west Hertfordshire (*in conjunction with SWH Business Partnership*)
  - STEP Programme – running a programme of placement and mentoring for business graduates (*in conjunction with WENTA*)
- Managing the Rural Renaissance programme for Hertfordshire – £270,000 of funding invested in projects such as:
  - Food Smiles – creation of an integrated local supply chain that connects producers, farmers, growers, processors and consumers (*in conjunction with ADER*)
  - Grown in Herts – promotion of food production and marketing in Hertfordshire (*in conjunction with East Hertfordshire Council*)
  - Market Towns Tourism – promotion of tourism opportunities in market towns (*in conjunction with Dacorum CVS*)
  - Two Wheels Moped project – enabling young people with no access to transport to go to college, work, leisure and training opportunities (*in conjunction with CDAH*)
  - Village Links – provision of an advice service for people living in rural areas (*in conjunction with CAB*)
- HPLtd has been an active participant in the following county-wide activities:
  - Herts Future and Hertfordshire Forward – the county-wide local strategic partnerships
  - Local Area Agreement

#### Regional:

- During 2005/06 HPLtd has chaired the SREP Network of SREP Chief Executives
- Co-ordinated the SREP Capital Programme on behalf of the SREP Network
- HPLtd has been an active participant in the following regional activities:
  - Review of the Regional Economic Strategy
  - Regional Tourism Strategy
  - EEDA liC Advisory Board
  - Business Link Review
  - Regional Skills & Competitiveness Strategy
  - London 2012
  - M11 Corridor Business Group

## The Hertfordshire Economy – Facts and Figures

### The Economy

Gross Value Added (2000 constant prices)*	£18,400m
Manufacturing output	£1,900m
Non-manufacturing output	£15,800m
GVA per person in employment	£32,700
Output per head in manufacturing	£34,900
Average Gross Weekly Earnings (New Earnings Survey):	
Average full-time wage (residence based)	£586
Average full-time wage (workplace based)	£545
Average female full-time wage (workplace based)	£426

### Enterprise and Investment

No. of businesses:	
VAT registered stock (Small Business Service)	38,715
By size of business unit (Annual Business Inquiry):	
▫ Micro (1-10 employees)	42,565
▫ Small (11-49 employees)	5,018
▫ Medium (50-199 employees)	1,314
▫ Large (200 or more employees)	299

### Population and Labour Force

Population	1,040,900**
Population of working age (females 16-59, males 16-64)	644,400**
Labour force	570,800
Participation rate (labour force as a proportion of the population of working age)	88.6%**
Ethnic minority population (Census)	116,000
% of total population	11%

### Employment

Total employment	562,300
Primary and construction	56,000
Manufacturing	54,900
Services	451,400
Male full-time employees	208,700
Male part-time employees	37,600
Male self-employed	56,300
Female full-time employees	124,000
Female part-time employees	116,000
Female self-employed	19,700
Claimant count August 2004:	
Number	8,176
Percentage	1.3%
ILO unemployed (averaged over four quarters) Summer 2004:	
Number	20,000
Percentage	3.6%

\*Manufacturing and non-manufacturing output do not add to total GVA due to a statistical adjustment and adjustments for financial services and ownership of dwellings.

\*\*Using National Statistics Mid-2003 Estimates released in September 2004 (after most of document prepared)

Source: Local Economy Assessment 2004



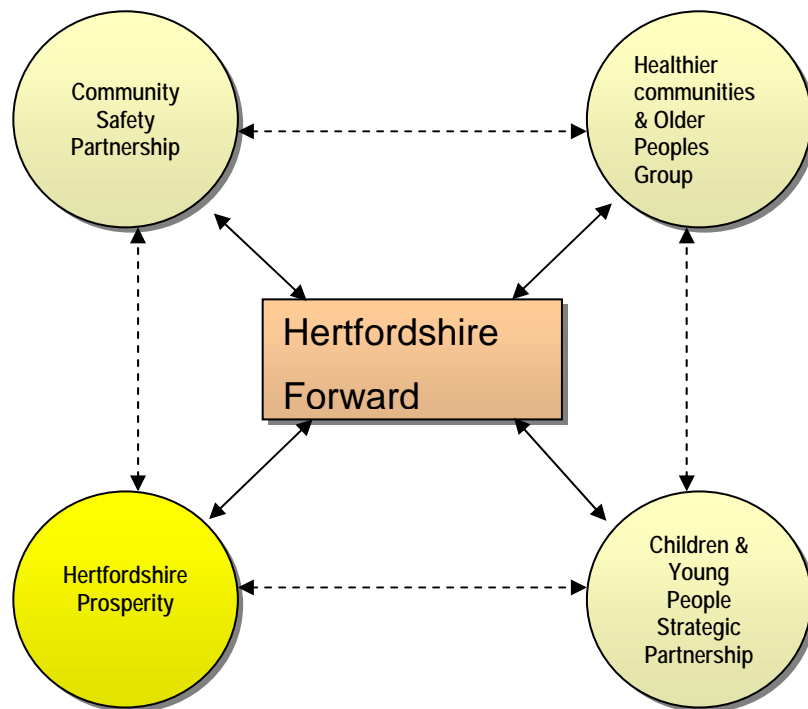
## **APPENDIX D**

### **Hertfordshire Forward and the Local Area Agreement**

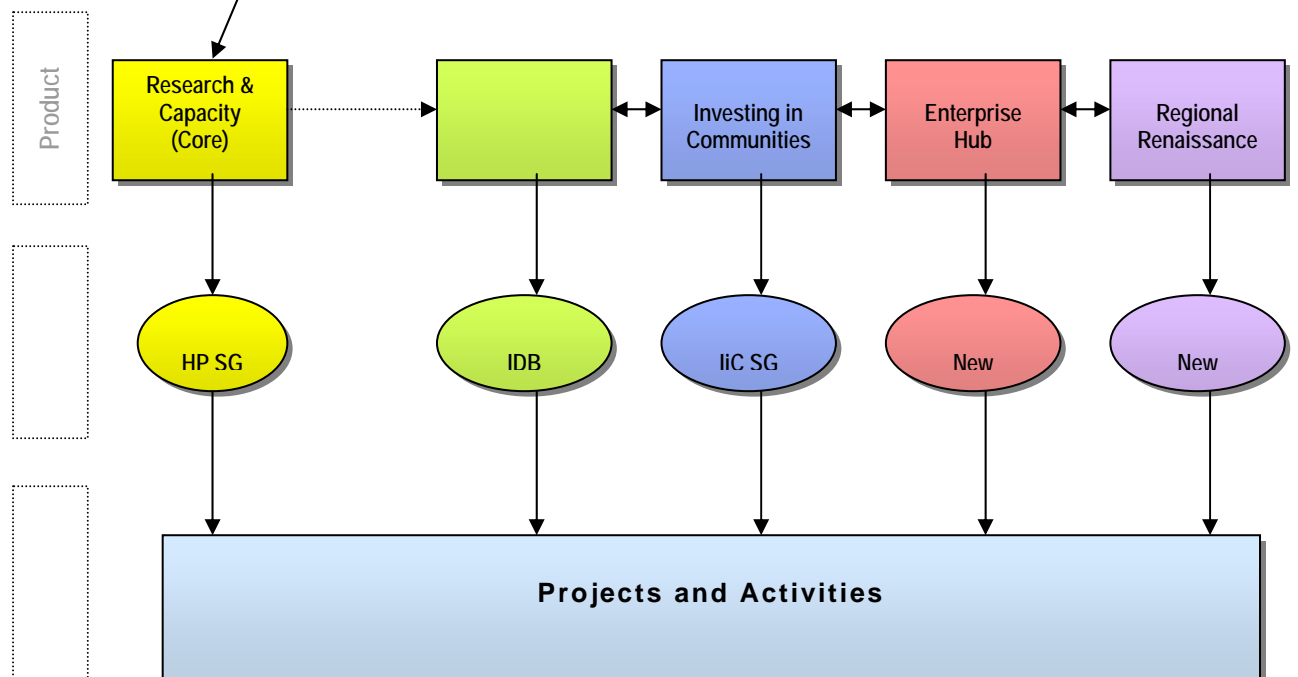
The four thematic strategic partnerships described in Appendix A operate independently, but are linked under the umbrella of Hertfordshire Forward, the county-wide Strategic Partnership. Hertfordshire Forward is co-ordinating the delivery of a Local Area Agreement (LAA) in the county. LAAs have been introduced by the Government with the aim of better identifying key issues for local communities and developing actions to improve the delivery of services and better align budgets through joint working and greater partnership activity. As part of the process, “stretch” targets can be identified which if achieved, bring financial rewards.

Hertfordshire Forward has evolved out of Herts Together, the first county-wide strategic partnership which was responsible for producing a countywide community strategy covering the period 2004-10. This built on the work of the district level community strategies and local strategic partnerships and has as one of its five themes, ‘Building a prosperous, inclusive society’. This theme and its associated objectives closely mirror the relevant priorities in the HEDS.

The LAA is made up of four “blocks” - Children and Young People, Healthier Communities and Older People, Safer & Stronger Communities, and Economic Development & Enterprise. The Blocks contains a number of strands which in turn contain outcomes and a number of “stretch” targets. Each of the strategic partnerships (above) leads or is closely involved in one of the blocks. HP Ltd and its partners are closely involved in the development of the Economic Development and Enterprise block and are likely to take the lead on delivering a number of outcomes and targets. The final LAA submission with the stretch targets for Hertfordshire was signed off on 23<sup>rd</sup> March 2006, with delivery in the period 2006-2009. More information on the Economic Development and Enterprise Block of the Local Area Agreement is given in Appendix E though outcomes and targets within other Blocks such as Children and Young People are also relevant. The diagram below shows the relationship between Hertfordshire Forward, its constituent Partnerships and also an outline of the activities of HP Ltd.



- ▣ Representation & Leadership
- ▣ Cohesion
- ▣ Lobbying
- ▣ Setting Strategy & Ensuring Delivery
- ▣ Programme Development
- ▣ Delivery Management



## APPENDIX E

**Hertfordshire Local Area Agreement – Economic Development and Enterprise Block**

**Reward targets shown in italics**

**OUTCOME A: To provide opportunities for every individual to participate in the success of Hertfordshire's economy, by enabling them to compete in the labour market**

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**Sub-outcome A1: Reduce number of people on an Incapacity Benefit (IB)**

***Target E-A1***

*Increase the number of people claiming an incapacity benefit gaining work of at least 16 hours per week for 13 weeks or more from 20 to 135 by 2009*

***Target E-A2***

*Increase the number of lone-parents gaining work of at least 16 hours per week for 13 weeks or more from 0 to 209 by 2009*

***Target E-A3***

*Increase the numbers of people claiming an incapacity benefit gaining permitted work of less than 16 hours per week for 13 weeks or more from 20 to 135 by 2009*

**Sub Outcome A2: Increase the total entrepreneurial activity amongst the local population**

***Target E-A4***

*Increase the total number of people seeking advice from Business Link (pre-starts) from 2908 to 3576 by 2009*

***Target E-A5***

*Increase the number of Pre-starts who establish a business from 373 to 453 by 2009*

**Sub Outcome A3: Increase vocational qualifications achieved by young people, particularly in 3 sectors of significant importance to the local and regional economy: Construction; Hospitality; and Health and Social Care**

***Target E-A6***

*Increase the number of vocational qualifications achieved by Young People aged 14-19 on school rolls from 2245 (in 2005) to 3225 by 2009*

***Target E-A7***

*Increase the number of young people completing/succeeding in training in Construction; Hospitality and Health & Social Care sectors from 4252 to 5431 by 2009*

***Target E-A8***

*Increase in key public services delivered by the voluntary and community sector (VCS) and social enterprise organisations (by 2009)*

- A. 3% increase in VCS and social enterprises with more than 25% of funding provided by trading, i.e. in direct exchange of goods and services<sup>2</sup>
- B. 10% more VCS organisations and social enterprises affirming growth in terms of income from trading activity

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<sup>2</sup> Definition from SBS Survey of Social Enterprises Across the UK, IFF Research Ltd, July 2005

**Target E-A9**

Reduce the variation rates between the proportion of young people resident in Welwyn Hatfield and Stevenage staying on in education or training Post 16 after completion of Year 11 in Hertfordshire schools and the Hertfordshire mean average.

- A. The variation for Welwyn Hatfield to be reduced from 2.9% (27) in 2005 to 1.4% (14) in 2009
- B. The variation for Stevenage to be reduced from 2.2% (27) in 2005 to 1.1% (12) in 2009

**Target E-A10**

Increase in HE progression rates (including gap year) for 18 and 19 year olds:

- A. In Stevenage from 21.9% (255) in 2005 to 25.9% (302) in 2009
- B. In Broxbourne from 24.6% (288) in 2005 to 28.6% (335) in 2009.

**Target E-A11**

Reduce the variation rate between the proportion of young people living in Welwyn Hatfield aged 16-18 (having completed compulsory education) who are not in employment, education or training with the Hertfordshire mean average. The variation to be reduced from 67% (213) at the end of November 2005 to 33% (170) at the end of November 2009.

**Sub outcome A4: Hertfordshire companies anticipating or making staff redundancies will be offered a co-ordinated programme of support services for their employees.**

**Target E-A12**

The numbers of companies supported will increase over time from 23 to 55 by 2009.

- A. The numbers of companies supported in manufacturing / distribution / construction sectors will increase from 33% to 37% by 2009.

**Target E-A13**

The numbers of individuals accessing service provision who live or work in redundancy "hotspots" (defined as areas with higher than average rates of company closure), with skills required by priority sectors or at particular disadvantage within the local labour market will increase from 150 to 300 by 2009, including:

- A. The numbers of older workers aged 50 years or more supported will increased from 50 to 90 by 2009.**

**Outcome B: Ability to travel more freely and safely**

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This outcome area will be developed during the first year of the LAA.

**Developing Target Area**

Percentage of all journeys within a given time period of a timetabled journey time for a given route e.g. 80% of all journeys to be within five minutes of the timetable journey time.

**APPENDIX F**

## SUSTAINABILITY APPRAISAL

A sustainability appraisal and rural proofing of the draft HEDS has been undertaken using the same approach and criteria used to test the Regional Economic Strategy. The Appraisal report sets out the context and task in the following terms:

*"The overall task is to test the Hertfordshire Economic Development Strategy (HEDS) for its fulfilment of the principles of sustainability and rural proofing. The Hertfordshire Economic Strategy closely follows the principles and format of the regional economic strategy, Progressing A Shared Vision, published by the East of England Development Agency in November 2004. The sustainability appraisal of this document was carried out using the criteria set out in the document A Sustainable Development Framework For the East of England (East of England Regional Assembly pub. October 2001) and subsequently adapted into a sustainability appraisal toolkit, developed by the East of England Roundtable for Sustainable Development. A detailed explanation of these assessment criteria and addition of rural proofing criteria is given in Section 3 (of the report).*

*The brief for the assessment of the HEDS document is for an approach consistent with the regional parent economic development strategy and this has been fulfilled.*

*It should be noted that the within the appraisal process consideration has been given to the national policy framework set out in "Securing the future - delivering UK sustainable development strategy" (pub. TSO 2005) and the more recent government publication "Securing the Region's Futures - Strengthening delivery of sustainable development in the English Regions" pub. TSO 2006. Both documents look to the following guiding principles for the delivery of sustainable development:*

- 1. Living Within Environmental Limits*
- 2. Ensuring a Strong, Healthy and Just Society*
- 3. Achieving a Sustainable Economy*
- 4. Promoting Good Governance*
- 5. Using Sound Science Responsibly*

*For the purposes of the appraisal process, whilst it is accepted the primary aim of an economic development strategy is to achieve a sustainable economy, it has been taken that this will be pursued at the expense of the other guiding principles.*

*It is important to note that to avoid undue repetition of the Local Baseline and Local Priority text, this appraisal document has been written to be read in conjunction with the HED's"*

A copy of the Appraisal is available from HP Ltd.

## GLOSSARY

<b>ADER</b>	Agricultural Development in the East of England
<b>AMA</b>	Advanced Modern Apprenticeship
<b>AUEE</b>	Association of Universities in the East of England
<b>BME</b>	Black and minority ethnic communities
<b>BRE</b>	Building Research Establishment, Garston
<b>BREW</b>	Business Resource Efficiency and Waste Programme – Government advice to businesses
<b>CAB</b>	Citizens Advice Bureaux
<b>CDA for Herts</b>	Community Development Agency for Herts
<b>CHP</b>	Combined Heat and Power
<b>CSR</b>	Corporate Social Responsibility
<b>CVS</b>	Councils for Voluntary Service
<b>E- Procurement</b>	Buying goods and services electronically
<b>EA</b>	Environmental Awards
<b>Eco-footprint</b>	The area of the earth's surface needed to support one person
<b>EEDA</b>	East of England Development Agency
<b>EERA</b>	East of England Regional Assembly
<b>EGS</b>	Environmental goods and services
<b>EMMA</b>	East of England Multi-Media Alliance
<b>EMS</b>	Environmental Management Systems
<b>EMAS</b>	Eco-Management and Auditing Scheme
<b>E2E</b>	Entry to Employment
<b>ESF</b>	European Social Fund
<b>EU</b>	European Union
<b>FE</b>	Further Education
<b>FIRA</b>	Furniture Industry Research Association
<b>GVA</b>	Gross Value added
<b>HALP</b>	Hertfordshire Adult Learning Partnership
<b>HBIC</b>	Hertfordshire Business innovation centre
<b>HESN</b>	Hertfordshire Employers skills network
<b>HE</b>	Higher Education
<b>HERN</b>	Hertfordshire External Resources Network
<b>HR1 notice</b>	Advance redundancy notice
<b>IAG</b>	Information Advice and Guidance
<b>ICT</b>	Information and Communications Technology
<b>IF</b>	Increased Flexibility Programme
<b>IiC</b>	Investing in Communities
<b>IT</b>	Information Technology
<b>ILO</b>	International Labour Organisation
<b>JC+</b>	Job Centre Plus
<b>LAA</b>	Local Area Agreement
<b>LEA</b>	Local Education Authority
<b>LSC</b>	Learning and Skills Council
<b>LLSCs</b>	Local Learning and Skills Councils
<b>LSP</b>	Local Strategic Partnership
<b>LTP</b>	Local Transport Plan
<b>L3</b>	Level 3
<b>MA</b>	Modern Apprenticeship
<b>NEET</b>	Not in education, employment or training (young people)

<b>NLDC</b>	Neighbourhood learning in deprived communities
<b>NTL</b>	Telephone and cable TV service supplier
<b>NVQ</b>	National Vocational Qualification
<b>PSA</b>	Public Service Agreement
<b>PSRE</b>	Public sector research organisations
<b>RAB</b>	Regional aggregation board
<b>R&amp;D</b>	Research and development
<b>RE</b>	Renewable energy
<b>RES</b>	Regional Economic Strategy
<b>RES systems</b>	Renewable Energy Systems (private company)
<b>RSS</b>	Regional Spatial Strategy
<b>RoW</b>	Rights of Way (footpaths, bridleways etc)
<b>SME</b>	Small and Medium Enterprises
<b>SOA</b>	Super Output Area
<b>SREP</b>	Sub-Regional Economic Partnership
<b>StAR</b>	Strategic Area Review
<b>Triple Bottom Line</b>	Taking economic, social and environmental considerations into account in decision making
<b>UKT&amp;I</b>	UK Trade and Investment – part of East of England International
<b>VCS</b>	Voluntary and Community Sector
<b>WENTA</b>	Local Enterprise Agency for south-west Hertfordshire

### Contacts and Further Information

If you would like more information about the Hertfordshire economy, please visit the websites set out below:

- Hertfordshire Prosperity Ltd – [www.hertsprosperity.com](http://www.hertsprosperity.com)
- Hertfordshire Observatory – [www.hertslink.org/hertsobservatory](http://www.hertslink.org/hertsobservatory)
- East of England Development Agency – [www.eeda.org.uk](http://www.eeda.org.uk)
- East of England Observatory – [www.eastofenglandobservatory.org.uk](http://www.eastofenglandobservatory.org.uk)

If you would like more information about HP Ltd's partners, please visit the websites below:

- Connexions – [www.connexions-hertfordshire.co.uk](http://www.connexions-hertfordshire.co.uk)
- District Councils representative – [www.dacorum.gov.uk](http://www.dacorum.gov.uk)
- East of England Development Agency – [www.eeda.org.uk](http://www.eeda.org.uk)
- Exemplas Ltd – [www.exemplas.com](http://www.exemplas.com)
- Job centre Plus – [www.jobcentreplus.gov.uk](http://www.jobcentreplus.gov.uk)
- Learning & Skills Council Hertfordshire – [www.lsc.gov.uk/herts](http://www.lsc.gov.uk/herts)
- Hertfordshire Careers Services Ltd – [www.herts-careers.co.uk](http://www.herts-careers.co.uk)
- Hertfordshire Chamber of Commerce & Industry – [www.hertschamber.com](http://www.hertschamber.com)
- Hertfordshire County Council – [www.hertsdirect.org](http://www.hertsdirect.org)
- North Hertfordshire College (representing all the Further Education Colleges) – [www.nhc.ac.uk](http://www.nhc.ac.uk)
- University of Hertfordshire – [www.perseus.herts.ac.uk](http://www.perseus.herts.ac.uk)